

Ansofone LET ANSWER PHONE
ANSWER YOUR PHONE
From only £1.50 per week
19 Upper Brook Street, London, W1Y 2HS
01-629 9232

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

Friday April 6 1979

No. 27,834

***15p

**Northampton
for offices
and sites**

L Austin-Crowe
0604 34734

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 600; NETHERLANDS Fl 2.0; NORWAY Kr 3.5; PORTUGAL Esc 25; SPAIN Ptas 50; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0; EURO 20p

NEWS SUMMARY

GENERAL

Arms deal push in U.S.

The failure of the U.S. Senate to ratify the proposed SALT II arms treaty could lead the Soviet Union to increase its nuclear arsenal by a third and cost the U.S. \$30bn to match this over the next 10 years, Mr. Harold Brown, Defence Secretary, warned.

Mr. Brown's speech to the New York Council on Foreign Relations complemented another "SALT-selling" attempt by Mr. Zbigniew Brzezinski, President Carter's National Security Adviser.

Rebels take Entebbe

Tanzanian-backed invasion forces in Uganda captured the main international airport at Entebbe and are now on the outskirts of the virtually undefended capital of Kampala. Tanzania said that pro-African forces had launched a second air attack on villages in the north-west of Tanzania.

Pakistan clashes

Thousands of angry followers of Mr. Zulfikar Ali Bhutto, the ousted former Pakistan Premier, clashed with armed police in Rawalpindi, Lahore and Karachi after memorial prayer ceremonies. Page 4

Lord Allan dies

Lord Allan of Kilmahew died, aged 64, in Sydney, Australia, shortly after arriving from London. His trip was to have been a farewell visit before his retirement from the Pearson Longman board this summer. Obituary Page 7

Adviser chosen

Mrs. Margaret Thatcher, Conservative leader, has chosen Professor Douglas C. Hague, deputy director of the Manchester Business School, as her personal economic adviser during the General Election campaign. Back and Page 10; Men and Matters, Page 18

Nkomo support

Zanu, one of the main black parties contesting Rhodesia's elections, said it was prepared to back the nomination of guerrilla leader, Joshua Nkomo, for President of the new black-ruled state.

Gas explosion

Gas Board officials were investigating the cause of an explosion which badly damaged a row of houses in South London, injuring seven people, two of them seriously.

Bread price rise

Bread prices are set to rise by 2p a loaf from next month unless the Price Commission decides to freeze the price for three months while it investigates applications from bakers.

Cleveland find

A sharp-eyed schoolboy from Cleveland, Ohio, who spotted a faded \$10 bill in the rubble of a demolished house, sparked a search by hundreds of people who sifted \$800,000 worth of Depression vintage notes from the debris.

Briefly...

Tote will sponsor the Cheltenham Gold Cup Steeplechase to the tune of £135,000 over the next three years. Racing, Page 16
Humourist Auberon Waugh may stand in the General Election—on behalf of dogs.
Orphan child in Madhya Pradesh, India, was slaughtered in a tribal sacrifice to the gods, court was told.

BUSINESS

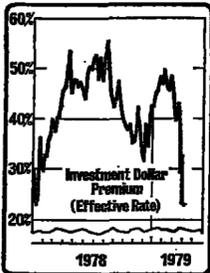
Equities up 8.9; rally by Gilts

● **EQUITIES** made impressive gains following the good GKN results and the cut in Minimum Lending Rate. The FT 30-share index closed 8.9 points higher at 532.7.

● **GILTS** rallied after-hours because of suspected foreign support, with long-gilt recovering by up to 1 and shorts improving by up to 1. The Government Securities Index gained 0.23 to 74.77.

● **STERLING** continued to strengthen and closed 75 points up at \$2.0745. It trade-weighted index was 66.7 (66.5). DOLLAR was stronger against most currencies, but its trade-weighted index was unchanged at 85.5.

● **DOLLAR INVESTMENT** Premium fell 11 points to 533



per cent in the wake of selling by institutions and others.
● **GOLD** rose \$2 in London to \$241.

● **WALL STREET** rose 3.38 to 873.18 near the close.

● **LLOYDS BANK** International has agreed a commercial credit of up to \$100m for China, bringing the total UK financing extended to Peking so far to \$1.675bn. Page 25. National Westminster Bank has signed a \$100m Eurocurrency loan with China.

● **PRICE COMMISSION** has allowed Shell an average 1.5p a gallon increase on its products while it investigates an application for price increases of about 3p a gallon. Back Page

● **LORRHIO** has raised its bid for Scottish Universal Investments by £3.3m to £43.5m. Sir Hugh Fraser, SUITS deputy chairman, is to recommend acceptance. Back Page

● **ROBERT FLEMING**, the London merchant bank and T. Rowe Price, the U.S. investment management firm, have formed a joint venture for managing international investments of U.S. institutions. Back Page

● **SAUDI ARABIA** has applied a special \$1.14 a barrel surcharge for its very light Berri crude in a move to rise above the OPEC price increase agreed to this year.

● **THE BBC's** 26,000 staff belonging to the journalists and broadcasting unions are likely to accept a pay deal giving rises of 17 per cent over 18 months from last autumn. Page 10

● **LEYLAND VEHICLES**, the truck and bus division of BL, had a loss of £15m last year. Page 7. Support for a strike threatened by BL Cars' craftworkers appears to be weakening. Page 10

● **GKN** steel products group raised pre-tax profits from £31.5m to £45.3m in the second half of 1978, taking the yearly total to £73.3m (£72.5m). Page 20 and Lex

● **BOWATER CORPORATION** increased pre-tax profits by £2m to £20m for 1978, sales dropped from £1.73bn to £1.56bn. Page 20 and Lex

● **DALGETY**, the agricultural products merchant, intends to pay £16.9m-£19.4m for Martin-Brower, the U.S.-based food distributor which had sales of around £200m last year. Page 23

Lending rate cut to stem currency inflow

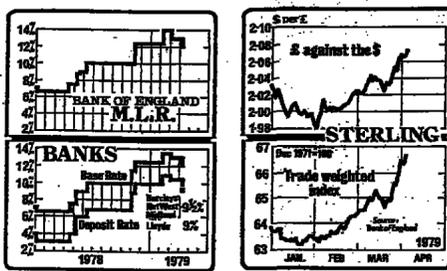
BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE Bank of England yesterday acted to try to stem the inflows of foreign currency into the UK which have built up strongly in the past 10 days. Minimum Lending Rate was cut by one percentage point to 12 per cent and the Bank was reported to have stopped intervening on a large scale to check the rise in the exchange rate.

This marks an important change of tactics compared with the last month. Previously, the Bank had sought to keep interest rates stable and had intervened regularly to prevent too sharp an appreciation in sterling. This led to an underlying rise in the official reserves of \$1bn in March. Continuing heavy inflows this week appear to have prompted yesterday's action because of concern about the possible impact on the growth of the money supply.

Foreign exchange dealers yesterday said that there were none of the familiar signs of Bank intervention in the afternoon apart from occasional smoothing action.

The response was a late rise in sterling, which appreciated by 1 of a cent against the dollar to \$2.0745. The trade-weighted index, measuring the value of sterling against a basket of



other currencies, rose 0.2 to 66.7 to equal its February 1978 peak, which was in turn the highest level since summer, 1976.

The cut in MLR was immediately followed by a reduction in the base lending rates of the clearing banks, also down from 13 to 12 per cent. This means that a top-quality corporate customer will be paying 13 per cent and overdraft rates generally will be up to 16 or 17 per cent.

The changes were led by Lloyds Bank, which differed from the other clearers by reducing the rate of interest paid on seven-day deposit and

savings accounts by 1½ percentage points to 9 per cent. The other clearers cut their deposit rates by one point to 9½ per cent.

The reduction in MLR will not have any effect on building society rates which were not increased when MLR went up to 14 per cent on February 8. The Council of the Building Societies Association said yesterday that the rates now offered by the societies to their investors were not high enough to produce all the funds needed by homebuyers. But societies hope that with a decline in the general level of rates in the

economy, this position will be rectified.

The Bank of England yesterday said the cut in MLR "had been made in response to the recent upward pressure on sterling in the foreign exchange market and fall in short-term sterling rate of interest. The level of short-term rates now established is judged to be consistent with continuing domestic monetary restraint in the

The authorities had been reluctant to change MLR because of uncertainty about the underlying strength of bank lending after the record rise in advances in February. They will not be able to tell for some time how much of this rise was exceptional and due to the industrial disputes and the bad winter weather.

So, faced with an immediate threat to monetary control from growing inflows from abroad, the Bank decided to bring down MLR into line with the lower level of money market rates.

The hope is that this will reduce the pressure. To carry conviction with the markets the move would have to be reflected in a change in sterling intervention tactics.

The clear implication is that

Editorial comment Page 18 ● Money markets Page 29 ● Lex Back Page

GATT talks on new import safeguard code break down

BY BRIJ KHINDARIA IN GENEVA

NEGOTIATIONS between the EEC and the developing countries aimed at agreeing a new GATT code to regulate the safeguard measures which can be taken against disruptive imports collapsed here yesterday.

This has been a key issue throughout the GATT Tokyo Round negotiations, but it is now clear that there will be no safeguards code in the package which is expected to be finalised next Wednesday.

This leaves a major gap in the new GATT agreement. Without a safeguards code, agreements which have been reached including the industrial tariff cuts, lose much of their impact.

Safeguard measures are covered by Article 19 of GATT. This allows members to take emergency measures to limit imports when they cause or threaten to cause serious injury to domestic industry. But they have to be applied against all suppliers regardless of which

one is deemed responsible for the "injury" although several countries, including the UK, have broken the code by taking selective action against a particular supplier.

The EEC insists that such measures should be applied selectively against the "offending" importer. The EEC eventually managed to persuade the U.S. and Japan to accept at least the principle. But it has failed to convince the developing countries.

The EEC itself has also been divided on the issue. The UK only agreed to accept the Tokyo Round package after receiving assurances from other EEC members that the Community could apply the safeguards selectively in the absence of a new safeguards code.

However, other members such as West Germany, Denmark and the Netherlands, would also most certainly resist such action.

Yesterday's breakdown in talks followed the decision by the EEC's Council of Ministers on Wednesday not to weaken its stand on selectivity. The developing countries will only accept a form of selective action which could be taken with the consent of the exporting countries concerned, and with the approval of a committee overseeing the code's application.

Developing country representatives here expressed sharp disappointment at the EEC attitude.

EEC representatives said their position was supported by a wide cross-section of industrialised countries, including the Scandinavians. But the U.S. is known to be disappointed at the failure, because it believes the absence of a safeguards code could result in a move away from the more liberal world trade.

The EEC will thus continue to apply the existing GATT Article

19 in which it claims there is a loophole: allowing selectivity, and which it says has in the past been used by many industrialised countries including non-EEC members.

Community negotiators say that they are willing to continue talks so that a new safeguards code may be concluded later this year. It could then be added to the Tokyo Round package.

Editorial Comment Page 18

£ in New York

	April 4	Previous
Spot	152.0698-0705	152.0652-0668
1 month	0.64-0.65	0.59-0.57
3 months	0.65-0.66	0.59-0.54
12 months	1.44-1.50	1.30-1.16

Dockers block Dunlop material in protest at Speke closure

BY NICK GARNETT, LABOUR STAFF

DOCKERS AT Southampton and Liverpool began last night blocking all materials to and from Dunlop's British factories, according to union officials. Car workers at Ford's Halewood plant also took sympathetic action by refusing to fit Dunlop tyres on new vehicles— affecting 5 per cent of the tyres fitted at the factory.

The effects of a co-ordinated campaign being organised in support of workers fighting Dunlop's planned closure of its Speke plant on April 19 could spread quickly.

Tomorrow the unofficial national port shop stewards committee will be urged by its senior members to extend the action to all main ports.

There was some confusion yesterday about the effectiveness of union action. At Southampton port employers said

they had not been notified of the blocking decision at their docks. At Liverpool two container-loads of tyres were declared "black". But Dunlop said they were "Czech-made" and had nothing to do with Dunlop.

Action could also spread in the motor industry. Production workers at Vauxhall's Ellesmere Port factory on Merseyside have been requested to stop handling Dunlop tyres. Shop stewards were discussing the position with management yesterday, but Dunlop products were being handled normally.

The 11 unions at Dunlop are calling a one-day strike on April 11 throughout the company's UK operations and are seeking sympathetic support from European unions. During the last one day stoppage when

half the UK workforce walked out, there was some backing from workers in Dunlop's European plants, according to the unions.

Mr. Archie Todd, chairman of the engineering shop stewards committee at Speke, said yesterday that on April 11 pickets would be mounted at motor factories throughout the country to win backing support from vehicle production workers.

Dunlop intends to close Speke, with a loss of 2,400 jobs, and to reduce the workforce at Fort Dunlop, Birmingham, by 500, and at Inchinnan, Glasgow, by 250 as part of a rationalisation programme.

The company said yesterday that any effects of union blocking appeared so far to have been very patchy.

Continued on Back Page

New York State cancels nuclear order

BY DAVID LASCELLES IN NEW YORK

NEW YORK State power officials decided yesterday to cancel construction of a \$350m nuclear power plant and build a coal-fired one instead. Among the reasons they cited was last week's accident at the Three Mile Island reactor in Pennsylvania. The station was to have been built by Babcock and Wilcox of the U.S., the same company that constructed the Three Mile Island plant.

The decision is the first since the accident cast a cloud over the future of nuclear power in the U.S. Although other factors, such as cost overruns, contributed to the cancellation, the accident was clearly a significant factor and in the long run can be expected to add strength to the anti-nuclear movement.

The decision was made by the New York State Power Authority, which supplies power to several customers in the New York City area, including the subway. The plant was to have been a 1,200 MW facility located in Greene County, about 120 miles north of the city.

According to the authority, there was already concern about delays and accelerating costs on the project before the Three Mile Island accident.

The original cost estimate had been increased from \$1.5bn to \$2.1bn and the start-up date had been put back from 1986 to 1989. Mr. Frederick Clark, the authority's chairman, recommended last month to the trustees responsible for the authority's operations that they consider alternatives. They took no action at the time, however.

At yesterday's meeting, they reconsidered Mr. Clark's recommendation and voted for the cancellation. In a statement afterwards, Mr. Clark said the Three Mile Island accident had convinced the trustees that it would "not be prudent to continue." The incident mandated caution, he said.

Iran goes ahead

Iran is to complete all of its four nuclear power plants now under construction. The state-owned runs contrary to earlier official indications that two French plants at an early stage of construction would be cancelled. Back Page

France to maintain programme Page 2; Brazil stands by deal Page 4; Energy Review Page 6; Nuclear growth in Latin America Page 18

Initial contracts signed for two UK stations

BY DAVID FISLOCK, SCIENCE EDITOR

NUCLEAR CONTRACTS have been signed between the UK electricity supply industry and the Nuclear Power Company, for work on two nuclear stations at Heysham in North-West England and at Torness in Scotland.

These contracts are forerunners of those for the construction of four "nuclear islands" for the two 1,300 MW stations, together worth about \$600m, expected to be signed late this year.

The Nuclear Power Company is the operating arm of the National Nuclear Corporation, which is in charge of commercial nuclear reactor design and construction.

Generating Board and the South of Scotland Electricity Board have agreed to produce a single design of reactor, based on their Hinkley and Hunterston designs of advanced gas-cooled reactor, for the two stations.

Construction of the stations is expected to start early next year. Site preparations are already underway at both sites, although work at Torness—a greenfield site—is further behind and will require construction of a sea wall.

Opponents of nuclear energy have been protesting about the work at Torness, since the Government has refused to order a public inquiry on the grounds that the type of reactor planned is not new.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

Treas. Var. 1982	296.4	+	1/4
Exch. 13pc '88/02	£103 1/2	+	1 1/2
A. B. Electronic	223	+	12
Allied Breweries	98	+	3 1/2
Embarras	275	+	20
Bilton (P.)	246	+	10
Blackwood Morton	27	+	3
Boots	329	+	4
British Printing	584	+	2 1/2
Brown (J.)	553	+	12
Burton A.	300	+	10
Carpets Int.	58	+	5
Carvon	88	+	11
De Vere Hotels	232	+	7
Edwards (Leeds C.)	48	+	5
Grand Metropolitan	164 1/2	+	5 1/2
Gt. Portland Ests.	288	+	12
GKN	278	+	24
Keyes	239	+	3
Ladbroke	239	+	13
Lilley (F. J. C.)	82	+	6
Marks and Spencer	118	+	5
Northern Foods	122	+	5
Perry (G.L.)	150	+	8
Phoenix Timber	188	+	15
Ratners (Jewellers)	88	+	5
Sotheby Parke Burt	335	+	12
Africander League	240	+	10
General Mining	425	+	5
M.T.D. (Mangula)	80	+	5
Barget	24 1/2	+	2 1/2
Jacks (Wm.)	35	+	7
Shelley	189	+	9
Shykes (L.)	80	+	7
Silk Transport	766	+	6

CONTENTS

Nuclear power: (1) UK strategy	6	Around Britain: on the specialist cycle-makers of England	16
(2) Growth in Latin America	18	Perfumes: sweet smell, hard sell	28
Politics Today: Mrs. Thatcher's possible Cabinet Ministers	19	Editorial comment: interest rates in Britain; GATT	18
Oil: (1) Denmark's lifeline	2	Lombard: Geoffrey Owen on coal for British Steel	16
(2) Venezuela helps its relations	4		
Management: executive standby "talent bank" for industry	15		

Agriculture	31	FT-Actuaries	32	Property	13-14	Labour	10
Automotive News	31	Food Prices	27	Racing	15	Unit Trusts	10
Bank Returns	32	Index Companies	25-27	Safecore	36	Watches	36
Banking	17	Leader Page	18	Share Information	34-35	World Trade News	6
Banking	22	Letters	19	Stock Markets:			
Business	38	London	38	Well Street	30	C'nary Shipwrecks	29
Companies - UK	20-23	Management	15	Technical	11	Crampin Higgs	22
Commodity	16	Men & Matters	23	Today's Events	23	Ladies Price	20
Entertain. Guide	18	Money & Exchange	29	TV and Radio	19	Scotts Wtd. Fnd. A.	23
European News	2-3	Overseas News	2-3	General	7-8	Western Mining	21
European Options	30	Parliament	10	General	7-8	Western Mining	21

For latest Share Index: phone 01-246 8026

27-28 Finsbury Square EC2
58,000 sq ft approx
Air-Conditioned Office Building
Now Available on Lease
JOINT SOLE AGENTS
JONES LANG WATSON
SMITH MELZACK
157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200

مکان من الذم

EUROPEAN NEWS

Six-point plan proposed for France

BY DAVID WHITE IN PARIS

LESS DEPENDENCE on foreign oil, more competitive industry, a stronger farm sector, new job opportunities, more efficient social services and a more human environment—these are the six "options" being proposed for France in the 1980s.

Energy takes pride of place in the six lines of action proposed in the report. It urges intensified fuel economy, a wider range of energy sources and supplies, perseverance with nuclear plans, and development of new kinds of energy.

In the industrial sector, the report recommends action to strengthen company finances, encourage the development of small-scale enterprises and particularly to steer more funds into innovation and research.

Finally, the report urges fresh efforts to improve and protect the environment, backing up reforms which, since 1975, have given France "one of the world's most advanced sets of laws in this field."

French to maintain nuclear programme

By Terry Dodsworth in Paris

THE FRENCH Government has decided to maintain its long-term nuclear power programme, despite the anxiety after the accident at the Three Mile Island power station in the U.S.

The decision will keep the industry on course for its target production capacity of just over 40,000 MW by 1985. This would supply about 55 per cent of France's electricity, and reinforce the Government's policy of reducing dependence on oil.

After some slippage last year, in the nuclear programme, the Government last February announced that plants would be built in the north and in Lorraine. France has 15 stations in service, 27 under construction and will start five more this year.

Explaining the measures, M. Andre Giraud, the Industry Minister, said there was no serious alternative to nuclear power for France's future energy.

However, it is still felt that France's energy supply will be delicately balanced until 1982. Partly because of this, and partly because of a desire to diversify energy resources, the Government has authorised the go-ahead on two gas turbines in Brittany, and is giving consideration to a coal-fired station in the west of France.

Turkey-IMF deadlock may ease

By Metin Munir in Ankara

DR. WALTER Leisler-Kiep, the West German co-ordinator for the West's multinational emergency aid programme for Turkey, left Ankara yesterday, after a 24-hour stay.

He is trying to find common ground for resumption of the dialogue between Turkey and the IMF, which has been suspended since last December.

Turkish officials say a compromise may be found to the Turkey-IMF deadlock over devaluation.

AP reports from Ankara: The U.S. plans to increase its aid to Turkey to \$500m. next year, in view of the country's economic crisis and its enhanced strategic value after the upheaval in Iran.

Andreotti Cabinet fails to agree on election date

BY RUFERT CORNWELL IN ROME

IN AN atmosphere of undignified confusion, Sig. Giulio Andreotti's caretaker Cabinet failed last night to decide the precise date of the forthcoming General Elections here, due at the latest on June 10.

Under the Constitution, the poll has to be held not earlier than 45, and not later than 70 days after dissolution of the two Chambers of Parliament, announced by President Sandro Pertini on Monday.

Until 48 hours ago, it had been taken for granted that the elections would be held over the weekend of June 9 and 10, alongside the direct elections to the European Parliament.

But Justice and Interior Ministry officials have found that legal and constitutional difficulties block such a combined vote. These snags have, predictably, been exploited for political ends.

The Government will make another effort to decide the issue next Tuesday. By then, it will either have succeeded in breaking the political deadlock, or dates other than June 9 and 10 will have to be chosen.

The most likely alternative is considered to be June 3. This somewhat ridiculous denouement to a nine-week crisis follows the discovery that, to hold the two elections simultaneously, the Government would be obliged to launch a decree law, requiring approval from Parliament, within 60 days.

Central banker given bail

BY PAUL BETTS IN ROME

SIG. MARIO SARCINELLI, the joint Deputy Director-General of the Bank of Italy arrested 12 days ago in connection with judicial investigations into allegedly irregular loans granted to Societa Italiana Resine (SIR), one of Italy's major chemical companies, was released on bail yesterday.

However, under the terms of Italian legislation related to public officials on bail, Sig. Sarcinelli has been temporarily suspended from office.

The Bank of Italy has vigorously denied the charges against Sig. Sarcinelli and Dr. Paolo Baffi, the highly respected central bank Governor, which specifically relate to allegations that the two senior officials failed to notify the judicial authority about the findings of a central bank inspection into subsidised credits granted to SIR by the Sardinian special credit institute, Credito Industriale Sardo (CIS).

The unprecedented initiative by the magistrates involved in the protracted SIR inquiries which opened some 18 months ago, has provoked a major controversy between the Italian political and economic establishment and the judiciary.

national elections. The Prime Minister's main tactical concern has been to spin out proceedings so that the dissolution would just fall within the 70 days before June 10. It is also widely believed that the Radicals have been tacitly encouraged in their defiance by factions of the Christian Democrats, strongly opposed to holding both elections together, and none too well disposed towards Sig. Andreotti. To hold the two polls separately would mean that a possible saving of L1,500m (€35m) of administrative expenses incurred by the Government in Europe spills over into would be lost.

Recovery for W. German orders

BY ADRIAN DICKS IN BONN

NEW ORDERS in West German manufacturing industry recovered briskly during February from the effects of the steel industry's stoppage during January, increasing by 5 per cent on a month-to-month basis.

The new orders index, according to preliminary figures issued by the Federal Statistical Office yesterday, reached the high level of December, when it was boosted by several very large orders.

The Economics Ministry said yesterday that large orders had played a part in pushing up the February totals, but the climb in new orders was broadly based. There was little difference in the rates of increase of export and domestic new orders.

The figures show that capital goods, often seen as the key category, and semi-manufactures both registered a healthy 5 per cent gain. New orders for consumer goods, on the other hand, grew by only 2 per cent.

On a year-to-year basis, new orders during the two months January and February were up by 8.5 per cent overall, with export orders up 13 per cent and domestic orders by 7 per cent compared with the similar period of 1978. The capital goods sector showed a healthy 12.5 per cent gain.

Provisional February balance-of-payments figures issued by the Bundesbank yesterday showed a deficit of DM3,030m (€777m) for the month, caused by the continued outflow of short-term funds on the capital account. In January there was a DM 2,230m deficit. However, capital outflows on both the long-term and short-term accounts were in themselves substantially less than during January.

Pinto heads for pay showdown

BY JIMMY BURNS IN LISBON

THE GOVERNMENT of Sr Carlos Mota Pinto, Portugal's Prime Minister, appears to be heading for another confrontation with Parliament, less than two weeks after the defeat of its Budget and short-term economic plan.

This emerged yesterday when the Government announced it intended to push ahead with plans to hold salary increases this year to 18 per cent. The original proposals stipulating the ceiling was refused ratification by Parliament earlier this week when the Socialists and Communists co-joined to vote against it. The centre-right Social Democrats (PSD) and the Christian Democrats (CDS) abstained, saying they also objected to the 18 per cent proposal.

Yesterday's Cabinet statement accused Parliament of "causing hardship to Portuguese workers" since a lack of adequate legislation was preventing pay claims from being settled. The Government's wages policy pegs this year's salary increases to an inflation target of 18 per cent, although this assumption is now beginning to be challenged.

According to figures released by the National Institute of Statistics, consumer prices in Portugal rose by 1.8 per cent in February, representing an annual rate of 22.2 per cent. Economists here feel that this pattern is unlikely to change substantially.

DANISH ENERGY POLICY

A life-line from North Sea oil

BY HILARY BARNES IN COPENHAGEN

DENMARK is one of the few members—if not the only member—of the International Energy Agency to have translated the IEA's appeal for a 5 per cent reduction in oil consumption into effective action.

As of April 1, temperatures in public buildings must not exceed 20 degrees C, and oil fires are subject to compulsory inspection and adjustment to ensure optimum efficiency. Display lighting in shop windows must be switched off at 11 pm, and speed limits were reduced in the middle of last month from 55 (90) to 50 miles an hour (80 kph) on ordinary roads and from 70 (110) to 60 miles an hour (100 kph) on motorways.

The swiftness of the Danish reaction is easily explained. In 1972, Denmark was entirely dependent on imported energy and 83 per cent of the energy consumed was oil-based. No country was more vulnerable to sudden supply shocks. Some progress has been made with diversifying energy supplies since then, but in 1978 the country was still dependent on oil for 78 per cent of its energy requirements.

The reduction was obtained by switching from oil to coal for firing power stations. Imports of coal and coke have increased from 2.3m tonnes in 1972 to 6.2m tonnes last year,

and 60 per cent of electricity is now produced from coal. There is reason to expect, however, that within the next few years the country's dependence on imported energy resources will be substantially reduced. Small quantities of oil have been landed from the Dan Field in the Danish sector of the North Sea—about 500,000

tons in the best year so far. This is only a fraction of total oil and oil products imports, which came to 18m tonnes in 1978 (compared with 21.3m in 1972), but in an energy White Paper published last week the Government said there was a reasonable expectation that the Danish sector would in future be able to yield 3.5m to 4m tonnes of oil a year.

The Government and the Folketing (Parliament) are also about to make a decision to use in Denmark the gas so far found in the Danish sector. If the White Paper's projections for gas prove correct, the North Sea will be able to provide around 6.5m to 7.5m tonnes of oil equivalent, roughly 25 per cent to 30 per cent of the expected energy con-

servation in 1995 of 247m gigajoules or 35 per cent to 40 per cent of 1978 consumption (10m gigajoules equal 1m tonnes oil equivalent). There is, however, an element of speculation in the Government's estimates for the North Sea field, which are based on an analysis of actual and potential recoverable

reserves by the U.S. consultants De Golyer and MacNaughton. They estimate that there are 361m tons of proven reserves, of which 49m are recoverable, and another 79.9m possible reserves of which 14m tons are recoverable. But with an unchanged rate of finds in structures so far seismically analysed there may be another 40m tons of recoverable oil reserves in the Danish sector, the consultants said, as well as an extra 60bn cubic metres of natural gas in addition to the 110bn-120bn cubic metres recoverable from finds made so far.

The Danish Underground Consortium (A. P. Moeller, Chevron, Shell and Esso), which has exclusive rights to

the Danish sector, is slightly more cautious. It estimates that it will be able to continue producing 500,000 tons of oil a year from the Dan Field, about 2m tons a year from the Gorm Field, which is now under development, and another 500,000 tons from the Skjold Field, where a decision to develop is still awaited. This gives a total flow of 3m tons a year for a peak period in the mid-1980s.

The Danish Underground Consortium's estimate of recoverable gas reserves so far found is about 75bn cubic metres. It and the state-owned oil and gas distribution company, Dansk Olie og Naturgas, recently signed an agreement for the delivery of 55bn cubic metres of gas in the period 1984 to 2009, with deliveries of 2.5bn cubic metres a year in the period 1988 to 2002.

The Government's overall energy policy is designed to reduce dependence on oil by diversify sources of supply, and to limit consumption. North Sea oil and gas, and the switch from oil to coal in the power stations are the most important factors on the supply side, but the White Paper said the Government hopes to be able to take a decision of principle on the development of nuclear energy next year. The earliest date at which nuclear plants could become operational is 1990.

Yorkshire Bank Base Rate. With effect from 6th April 1979 Base Rate will be changed from 13% to 12% p.a. Yorkshire Bank Limited Reg. Office: 2 Infirmary Street Leeds LS1 2UL.

The Royal Bank of Scotland. INTEREST RATES. The Royal Bank of Scotland Limited announces that with effect from 6th April 1979, its Base Rate for lending is being reduced from 13% per annum to 12% per annum. The maximum rate of interest allowed on Deposits lodged for a minimum period of seven days or subject to seven days' notice of withdrawal at the London Offices of the Bank will be reduced to 9% per cent per annum.

THE HONGKONG BANK GROUP BASE RATES. The Hongkong and Shanghai Banking Corporation and The British Bank of the Middle East announce that their base rate for lending is being decreased with effect from 6th April, 1979 To 12% per annum from 13% per annum.

Pan Am's CityPak. We won't just fly you to the USA, we'll even put you up. For business travellers, and short-stay visitors to the USA, arranging your own accommodation means wasted time and budgeting for hotel bills in advance. Now Pan Am makes it easy for you with CityPak 79. A system which lets you buy guaranteed accommodation at the same time that you buy your ticket, in one simple transaction. Hotels are graded into four categories of luxury to suit every taste. All you have to do is pick your category. Pan Am's CityPak 79 brochure lists categories and prices. And for the traveller playing his trip by ear, there's an important extra benefit. With CityPak 79 you don't have to reserve in advance. So long as you check in before six o'clock on the night of your stay, a room is still guaranteed for you. CityPak 79 is available at most major US cities. You can even arrange car hire in advance, still as part of the one simple transaction. Talk to your Travel Agent about CityPak 79. Or post the coupon. To: PO Box 747 Coulsdon, Surrey CR3 2UU. Please send me your CityPak brochure. I am also interested in Pan Am's longer stay US tours. Please send me your Pan Am's World brochure. Name: Address: We fly the world the way the world wants to fly. FT6/4

THE FIGHT TO LEAD THE SOCIALISTS OF FRANCE

Mitterrand is set to win

BY ROBERT MAUTNER IN PARIS

M. FRANCOIS MITTERRAND is almost certain to be re-elected leader of the French Socialist Party at its three-day National Congress which opens in Metz, Eastern France today.

After the deeper rifts in the party which appeared following the Socialist-Communist alliance's defeat in last year's General Election, Mitterrand has recently made up much of the ground he lost to his main rival, M. Michel Rocard, 48.

Last weekend, 40 per cent of the Socialist Party Regional Federations voted in favour of M. Mitterrand's resolution to be submitted to the Congress.

Only 20 per cent backed M. Rocard's motion, with some 14 per cent supporting the motion of M. Jean-Pierre Chevènement, leader of the party's Left-wing.

Assured of another 8 per cent of the votes cast for a separate motion, tabled by M. Gaston Defferre, Mayor of Marseilles—one of M. Mitterrand's most powerful supporters—the party

leader needs only a few extra votes to win an absolute majority.

The simple arithmetic of the likely outcome of the voting tells only part of the story and masks serious divisions in the party over basic strategy.

M. Mitterrand's avowed objective of winning some consensus will be extremely difficult, if not impossible to achieve.

The party leader's thesis that the Socialists' only hope of gaining power rests in continuing an alliance with the Communists, despite all the differences between the two parties, has won him the grudging support of M. Chevènement's Left-wing group.

M. Rocard and his supporters have different views on the subject, but continue to pay lip-service to the Union of the Left.

M. Rocard, one of the chief critics of the Communists' nationalisation and economic programme — disagreement



M. FRANCOIS MITTERRAND

about which lost the Left the last General Election—is a firm defender of a mixed market economy.

He does not like to be branded a traditional Social Democrat, but believes that the Socialist Party should make a frank break with Marxist ideology and affirm its own identity.

The results of the first round of voting in the last General Election, not to speak of the recent local elections in which the Socialists polled 20 per cent, show it is now the country's biggest single party and can stand on its own feet, if necessary.

Occupying the middle ground is M. Pierre Mauroy, Mayor of Lille and president of the powerful Nord and Pas de Calais Federation. He basically supports M. Rocard's views, but wants to find a compromise between the latter and M. Mitterrand.

The dilemma facing the party

Socialist victory in Greenland elections

By Hilary Barnes in Copenhagen

WEDNESDAY'S election to Greenland's first Parliament, the Landsting, was a victory for the moderate socialist Stumut (Forward) Party. The preliminary results indicated that the party will control 11 or 12 of the 21 seats.

The Parliament will assemble when Greenland home rule comes into force on May 1. A home-rule agreement was approved by a big majority of the 29,000 electorate in January this year.

The only other party represented in the Landsting will be Atussut (the word means links, that is, with Denmark). With 85 per cent of the votes counted, Stumut had 44.9 per cent and Atussut 43.6 per cent. Two other parties, a Marxist-Leninist Independent party and a workers' party, failed to win any seats.

The Stumut victory increases the chances that Greenland will leave the EEC. Stumut leaders have demanded as a condition for staying in the EEC that Greenland be given a 100-mile exclusive fishing zone.

The Danish Government has repeatedly stated that Greenland will be free to leave the EEC if it wishes to. Greenland automatically joined the EEC with Denmark of which it was an integral part. But, in the 1972 referendum, the Greenlanders voted massively against membership.

If the Greenlanders decide to leave, they will probably arrange a referendum first. This will not take place until the Danish Government has completed negotiations with the EEC designed to meet some of the Greenlanders' special requirements.

Chinese celebrate riot anniversary in peace

BY JOHN HOFFMANN IN PEKING

THOUSANDS OF people gathered in Peking yesterday to celebrate the annual Ching Ming (Honour the Dead) festival and the third anniversary of the Tienanmen riots of 1976.

Foreign observers watched closely in the expectation that dissatisfied members of Peking's democracy movement might use the occasion for defiant demonstrations against the leadership.

Several arrests have been made in recent days of people alleged to be disobeying a Government edict limiting the right to express dissident views in wallposters and street meetings. It was thought that civil rights activists might protest about the arrests.

However, uniformed and plainclothes security officers were on the streets in force and incidents were few.

At Tienanmen Square, in the centre of the city, a foreign resident reported seeing a woman hustled away by security men after she had displayed a critical poster.

About a mile away at the the poster-covered Wall of Democracy, a woman carrying a baby tried to hand out leaflets claiming that her husband had been wrongfully arrested. A security man confiscated the leaflets but left the woman alone.

In 1976 riots broke out when hundreds of thousands of people massed in Peking to honour the late premier, Prime Minister Mr. Chou En-lai. Police, under orders from a leadership influenced by "the Gang of four," cleared the demonstrators away by force. Many citizens are believed to have been killed and thousands of arrests were made.

Yesterday, by contrast, most activity in Tienanmen Square was created by disciplined columns of children who marched, beat drums and laid wreaths.

Some adults displayed banners and scrolls of poems commemorating Chou En-lai and victims of the 1976 riots. Observers said Government moves in recent weeks against liberal activities now labelled "ultra-democracy and anarchy" had clearly clamped the lid on open dissidence.

Australian truck action widens

BY JAMES FORTH IN SYDNEY

ROAD BLOCKS set up by Australia's truck drivers protesting against new, higher, road taxes have spread to all mainland States except Western Australia. The self-employed truck and transport drivers are blocking major highways with their vehicles in New South Wales (NSW), South Australia, Victoria and Queensland.

The State capitals are virtually under siege with major routes blocked by trucks although, in most cases, the drivers are letting private and emergency vehicles through. But the blockades caused traffic disruption in the cities as the drivers concentrated on preventing road transport vehicles through. This is already leading to shortages.

The dispute began in NSW with drivers protesting over what they claim are too high road taxes and too low freight haulage charges. But the situation escalated after the drivers walked out of a meeting yesterday with Mr. Peter Cox, the NSW Minister for Transport, claiming that the Transport Workers Union (TWU) had tried to "muscle in" on the talks, which were aimed at settling the dispute.

Following the breakdown one of the drivers' negotiators, Mr. Colin Bird, declared: "The whole bloody nation is going to stop. That's it."

In NSW more than 1,000 trucks are on the Hume Highway south of Sydney in a 30-mile stretch near the country town of Yass. The drivers are threatening to extend the blockade to the national capital, Canberra.

At this stage the blockades have not spread to Western Australia and the Queensland Government has already decided to abandon the tax. But truck drivers are blocking the State's four major highways although they have lifted bans on two other major entrances into the State capital, Brisbane.

Now the NSW Government will have to decide whether to invoke emergency legislation rushed through after the blockade began. It substantially increases fines for obstructing traffic and empowers the police to forcibly remove vehicles.

The NSW Minister for Industrial Relations, Mr. Pat Hills, said it was likely the legislation would be proclaimed.

Moscow clamps down on literary group

BY DAVID SATTER IN MOSCOW

SWEEPING SANCTIONS have been imposed on the writing of 23 Soviet literary figures in retaliation for their participation in compiling the "Metropol" almanac, which was intended as a challenge to the Soviet literary censorship.

The authors include such popular Soviet writers as the novelists Vassily Aksyonov, Fazil Iskander and Andrei Bitov, and the poets Andrei Voznesensky and Bella Akhmadulina, as well as many younger and less well-known writers.

All publication of the work of these writers has been cancelled and they have been barred from official literary functions. Some authors have been deprived of contracted literary work and all mention of their names has been dropped from the official press.

Metropol was the title given to an anthology of original prose and poetry works by the 23 authors. It was submitted to the Soviet Writers' Union on January 18, with the authors' concerted demand that it should not be censored, but published exactly as written.

The Writers' Union said this was impossible and the Metropol authors were accused of trying to embarrass the Soviet Union and stir up anti-Soviet feeling abroad. There are now plans to publish Metropol in the U.S.

E. Germans curtail use of D-Mark

BY LESLIE COLITT IN BERLIN

IN AN attempt to curtail the growing use of West German Deutsche Marks as a second currency in East Germany, the East German Government has decreed that citizens will have to convert them into special coupons at the state bank to buy Western goods in the chain of Intershops. Street-long queues have developed outside the Intershops in every large city and town in East Germany, as the Government says East Germans have until April 16 in which to buy Western products directly for Deutsche Marks received from relatives and friends in West Germany.

The use of Deutsche Marks to obtain scarce goods and services in East Germany has become a major problem for the East German Communist leadership, as the Deutsche Mark was regarded as "real" money, while East German marks were seen as good enough to buy basic necessities and to pay the rent.

A member of the ruling East German Politburo said recently that the Intershops annual sales amount to some DM 700m (£180m).

One result has been that East Germans who need a repairman had little chance of seeing one unless they paid at least part of the bill in advance, in West German currency.

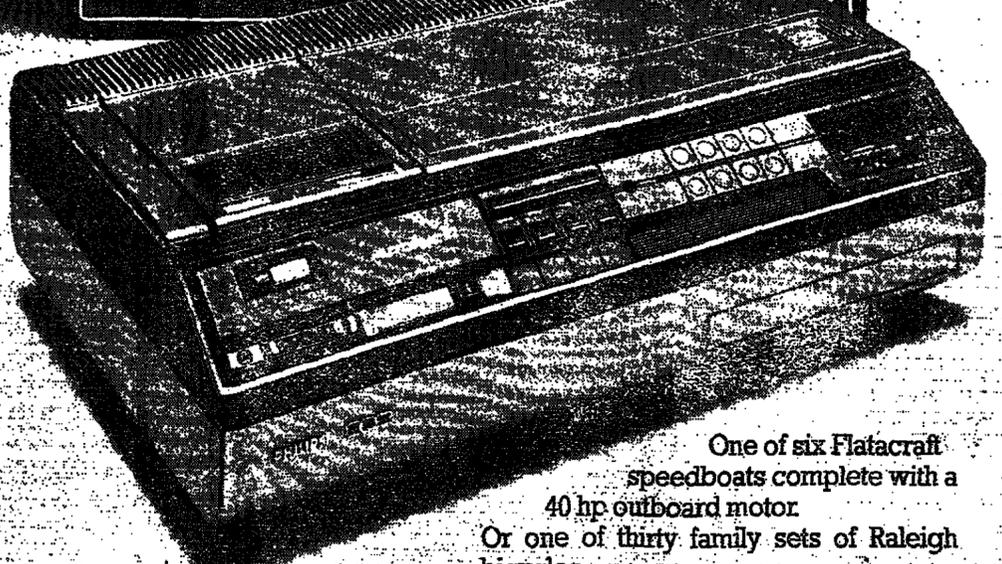
The Government announce-

ment in all East German newspapers says citizens will obtain non-transferable coupons in various denominations for their Western currencies. These are presumably to be made out in the buyer's name, thus preventing their use as a substitute currency for the Deutsche Mark.

The fact that buying goods at the Intershops will no longer be an anonymous activity is bound to make dealings in Deutsche Marks more difficult for largely law-abiding East Germans, although not impossible.

PHILIPS

TRAVEL INTO THE VIDEO AGE WITH £50,000 PRIZES FROM PHILIPS



One of six Flatacraft speedboats complete with a 40 hp outboard motor
Or one of thirty family sets of Raleigh bicycles.
That's £50,000 worth in all, and the entry forms are at your local Philips Dealer now.
With Philips TV and VCR, you can travel into the Video Age.
Simply years ahead.

Rent or buy any new Philips television or Video Cassette Recorder before the end of May and you can enter the Video Age Competition.
You could win one of three Travel-homes complete with cooker refrigerator and shower.



NATIONAL SAVINGS BANK

Special notice to depositors

1. Industrial action in the Civil Service has affected from 2 April the operation of the National Savings Bank's computer centre in Glasgow. The National Savings Bank very much regrets the effects this will have on its services and offers the following advice to depositors.

- WITHDRAWALS Ordinary Accounts**
2. Depositors requiring withdrawals are advised to use the withdrawal on demand services available through post offices. Depositors may find it convenient to use these services so as to avoid as far as possible the need for their bank books to be retained for examination by the National Savings Bank. (See para 10 below.)
3. Applications to withdraw by notice to the National Savings Bank cannot be acted upon where the account records are held on the computer (all accounts with nine-digit numbers). Depositors with these accounts are advised not to submit notice applications until the industrial action is ended.
4. Telegraphic withdrawals are suspended for the time being.

WITHDRAWALS Investment Accounts

5. Many applications to withdraw from these accounts already received by the National Savings Bank have been processed and the repayment warrants will be despatched on the due dates. Some have however been halted and it will not be possible to process these or any further applications until the computer can be operated again.

Depositors wishing to give notice of intended withdrawals are advised to submit their applications to the National Savings Bank. They will be recorded there and steps taken to issue the warrants at the end of the one month notice period or as soon after as the situation permits.

DEPOSITS

7. Deposits may continue to be made but savers should bear in mind that the withdrawal services are liable to delay as indicated above.

NEW ACCOUNTS

8. New accounts may continue to be opened. The bank books will be issued as soon as possible after the industrial action is ended.

BANK BOOKS

9. New books in continuation of full books cannot be issued at present. Depositors are at present advised not to forward their bank books to the National Savings Bank for the entry of interest.

WITHDRAWALS ON DEMAND (see also paragraph 2 above)

10. The maximum amount of a demand withdrawal is £50 but for security reasons the bank book is retained for examination at National Savings Bank headquarters for any withdrawal in excess of £30. The book is also retained when a second withdrawal in excess of £15 is made in a period of 7 days. The maximum amount which may be obtained in a week without retention of the book is, therefore, £105, (£30 + 5 x £15).

Issued by the Department for National Savings

OVERSEAS NEWS

AMERICAN NEWS

Sadat plays down Arab action

BY ROGER MATTHEWS IN CAIRO

PRESIDENT SADAT reacted mildly yesterday to the proposed Arab political and economic boycott of Egypt, announced in Baghdad last weekend, and appeared careful to avoid further alienating the more moderate countries such as Saudi Arabia and the Gulf States.

Mr. Sadat denied that by signing the peace treaty with Israel, he had split the Arab world. Speaking by implication to Saudi Arabia, he said that if some countries chose to ally themselves with the radical

the "massacres of Palestinians in the past" by both Jordanian and Syrian troops. Much of the President's speech of nearly three-hours was spent answering domestic criticism of the treaty. Two statements, one issued by four members of the Revolutionary Command Council, set up after the 1932 revolution, and the other by 13 members of the People's Assembly, had accused Mr. Sadat of signing a separate peace that was a sell-out of Arab interests.

But the military equipment the U.S. was to provide would enable Egypt to make up the ground it had lost since the 1973 war with Israel. President Sadat was given a rousing welcome by the 360 members of the People's Assembly, who later heard a detailed explanation of the peace treaty from the Prime Minister, Mr. Mustapha Khalil. The Assembly is expected to ratify the treaty in the next 24 hours, after which the documents will be exchanged with Israel.

U.S. wholesale price rise hits 14% annual rate

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THERE WAS no relief from double digit inflation for the United States in March, with the Labour Department announcing yesterday that wholesale prices had risen last month by 1 per cent.

This is the same increase as in February and, taken with the 1.3 per cent jump in January, means that in the first quarter of this year wholesale prices have gone up at an annual rate of 14.1 per cent, seasonally adjusted, the biggest quarterly rise in four years.

relief from the upward march of the cost of living was in sight. The figures were announced hours before President Carter was to unveil to the nation his newest energy package, the impact of which, as White House officials admit freely, if painfully, would add to inflation. Once again food and fuel spurred the rise in the producer price index (successor to the old wholesale price measurement). The food component of the index went up by 1.3 per cent at least under the rises of 1.3 per cent and 1.6 per cent recorded in January and February respectively.



Failure to sign SALT 'could cost \$30bn'

By David Buchan in Washington

THE failure of the U.S. Senate to ratify the proposed SALT II arms treaty could lead the Soviet Union to increase its nuclear arsenal by a third and cost the U.S. \$30bn to match this over the next ten years, Mr. Harold Brown, the Defence Secretary warned yesterday.

Speaking to the New York Council on Foreign Relations, he held out the possibility that without the constraints of a SALT II treaty, the Russians might go ahead and deploy "20 or perhaps even 40 warheads" on their largest intercontinental missiles. SALT II provisions would, it is believed, restrict the number of individual warheads on each missile to ten.

Mr. Brown's speech complemented another SALT speech by Mr. Zbigniew Brzezinski, President Carter's National Security Adviser, in Chicago on Wednesday. The Administration is expected to face a tough fight on Capitol Hill to win the necessary two thirds Senate majority for the treaty.

Car sales boom helps imports

BY JOHN WYLES IN NEW YORK

FEARS OF still higher petrol prices in the U.S. appear to be boosting sales of foreign car imports, which climbed to a record level in March.

Foreign manufacturers captured an estimated 22.5 per cent of the market last month which was, however, unexpectedly strong for the domestic auto companies. As a result, total U.S. car sales rose to an annual rate of more than 12m units, which again compounds expectations of an imminent softening in consumer spending.

General Motors' sales were down 3.1 per cent and its share of the market excluding imports slipped from 56.5 per cent to 56 per cent. Ford's sales were down 6.2 per cent and its market share from 28.9 per cent to 27.7 per cent. Chrysler's sales were off 0.2 per cent and its market share up a fraction to 13 per cent while American Motors' slide continued with a 28.3 per cent fall and a market share of 1.3 per cent compared with 1.8 per cent a year ago.

Brazil stands by nuclear deal

BY DIANA SMITH IN RIO DE JANEIRO

BRAZIL AND West Germany do not intend to renegotiate or alter their 1975 nuclear agreement, according to a communique issued after talks between Chancellor Helmut Schmidt and Gen. Joao Baptista Figueiredo, Brazil's new President.

Behind the insistence of both sides that the agreement, involving equipment for eight nuclear reactors from West Germany's Kraftwerk-Union, and nuclear fuel cycle co-operation sponsored by the German Government at a cost of \$13.5bn lie complex factors.

Many of the 100,000 jobs involved in West Germany's nuclear industry would be at stake if Brazil rescinded or reduced the agreement; it is the country's largest single export order. Brazil still resents an accusation made years ago by General de Gaulle that it was not a "serious country." To revoke or alter the agreement in the face of internal or external pressures would lay the current Government open to similar charges. U.S. attempts to make Brazil rethink the agreement have merely hardened its determination not to do so.

Two explosions hit Nicosia

TWO EXPLOSIONS, apparently directed against Israeli and Egyptian targets, rocked central Nicosia yesterday. The Cyprus Government issued a statement strongly condemning the attacks.

The first explosion damaged the entrance to a building housing the Israeli Embassy in Cyprus. The second shattered the windows of a tourist office which acts as the official agent in Cyprus of Egyptian, Egypt's national airline. There were no casualties. The Israeli Embassy was not damaged.

Cyprus' relations with Egypt are strained and moves to restore them have failed. Cairo severed diplomatic ties 13 months ago, after a clash at Larnaca Airport between Egyptian commandos and Cypriot troops.

Grey areas in the sanctions

BY LESLIE MITCHELL IN KUWAIT

ARAB SANCTIONS against Egypt agreed at Baghdad last week may cause some hardship to the Egyptian Government but are not as severe as was first thought, it is believed in Kuwait.

New aid commitments from Arab governments and aid agencies are banned but disbursements under existing commitments, such as the enormous project for expanding the Suez Canal, will be allowed to continue, a senior Kuwaiti official has pointed out that new commitments and loans to the Egyptian government could still be made secretly, though he stressed that Kuwait would not do this.

Another financial adviser here noted that an Arab government could arrange a loan for Egypt through, for instance, a large U.S. bank with which it had

deposits. A four-man committee of Kuwait's Council of Ministers is to produce guidelines for the implementation of the sanctions. One of the grey areas which will have to be clarified is the question of an agreement in principle from some Arab banks, including Kuwaiti institutions, for a \$250m loan to Egypt. There is no firm commitment for the loan, whose managers include the Union of French and Arab Banks (UBAF) and European Arab Bank.

The sanctions do not cover the use by Arab ships of the Suez Canal, nor by Arab oil producers of the Sumed pipeline linking Suez and the Mediterranean. Even though the provision of crude oil to Egypt (which has a net self-sufficiency in oil) is banned. But there is

some fear here that President Sadat may close the use of the Suez Canal to ships of states adhering to the boycott. The resolutions of Baghdad do not affect private sector investments in Egypt. Sheikh Nasser Sabah al-Ahmed, head of Gulf Fisheries and Gulf International, which has big investments in Egypt, has said in an interview that he is not worried about his investments in Egypt. "There is absolutely no intention to cancel them."

The effect of the Baghdad resolutions on such institutions as the Kuwait Real Estate Investment Consortium, which is part government-owned is not yet known but one official said: "They are doing business in Egypt with the private sector. I don't think they will be affected."

Bhutto's followers fight police

BY CHRIS SHERWELL IN ISLAMABAD

THOUSANDS of angry followers of Mr. Zulfikar Ali Bhutto, the ousted former Prime Minister, clashed with armed and stick-wielding police in street confrontations lasting several hours yesterday.

The demonstrations, in Rawalpindi, Lahore, and Karachi followed memorial prayers for Mr. Bhutto called by leaders of his Pakistan People's Party.

Thousands turned up for the ceremonies in public parks in the three cities. When they shouted slogans and became unruly, scores of steel-helmeted police moved in with canes and tear-gas. As women waited or taunted the police, the crowds moved to the streets and clashes became more violent. Youths threw stones, and burned vehicles. Scores of people were arrested in each city.

Iran adopts new code for trials

BY SIMON HENDERSON AND ANDREW WHITLEY IN TEHRAN

AFTER A break of three weeks, Iranian revolutionary courts are to resume trials of former officials and others connected with the Shah's regime, but new procedures are expected to avoid much of the previous criticism over secrecy and summary execution.

The new procedures were made public shortly after Dr. Mehdi Bazargan, the Prime Minister, had told the nation in a broadcast that it must rise above the mentality of seeking revenge. In the new courts, a three-member bench, headed by a religious judge, will be able to command witnesses to appear. Contrary to previous practice, defendants will be given prior notice of the charges and will have the right to appeal. The code still only deals with so-called revolutionary offences such as plundering, embezzlement, relations with foreigners and "insulting the honour of the Iranian people."

U.S carrier and tanker collide

SINGAPORE — The U.S. aircraft carrier Ranger and the fully-laden Taiwanese oil tanker Fortune, 99,000 tons, collided in the South China sea yesterday. A four-mile oil slick was reported to have formed.

No casualties were caused by the collision, which occurred off the Malaysian coast about 55 miles north-east of Singapore. The Philippine Government has brought charges against Shou Dah-Shing, a Taiwanese captain and his 17 crew for bringing more than 2,300 Vietnamese refugees to Manila aboard the Tung An, a Hong Kong-based cargo ship.

If found guilty of the charges they are liable to jail terms of 10 years and a fine of about \$1,333 each. The Tung An has been stranded in Manila Bay since it arrived on December 27. The men are charged under a 1940 law that prohibits entry to the Philippines of any alien without the proper immigration documents.

U.S carrier and tanker collide

More than 100,000 refugees who fled Burma into neighbouring Siam have been repatriated under an agreement reached between the two countries, officials reported in Rangoon yesterday.

Some 150,000 refugees would be repatriated before the monsoons start in late May, they estimated. No time-limit was set for the repatriation programme. Agencies.

S. Africa prepares for 'total war'

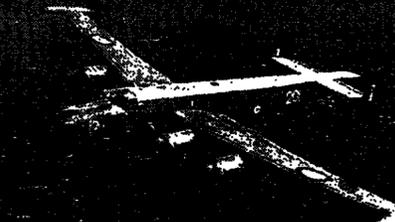
BY QUENTIN PEEL IN CAPE TOWN

A MAJOR increase in naval defence spending, the overhaul of the air defence system, and the creation of a parachute brigade, are key elements in a defence strategy to counter the "total onslaught" being waged against South Africa outlined in the latest Defence White Paper. The permanent core of the South African Defence Force has also been expanded by almost a third, in spite of a drain of trained men over the past two years.

The biennial review warns that the military threat against South Africa is intensifying "at an alarming rate." It reveals that the State Security Council, co-ordinating 15 interdepartmental security committees, has been reorganised to develop a "total national security strategy" to counteract the "total threat."

Mr. P. W. Botha, the Prime Minister and Minister of Defence, also proposes a "geoeconomic community of interests" among the countries of southern Africa, including "the concept of mutual defence against a common enemy." While he warns against the specific threat of Marxist influence in Africa, this, he says, is only part of the interference of international powers — including the Western powers — in the region putting "increased political, economic and military pressure" on South Africa.

have succeeded in moving through initial development and industrialisation phases to line production. But it points out that achieving a greater degree of local content is no longer enough, and Armscor, the Armaments Corporation of South Africa which co-ordinates all arms manufacture and supply, "must now also become technologically self-sufficient in order that, in the case of a more extensive boycott of components and raw materials, available alternatives and substitutes can be utilised, and that new generations of advanced systems based on local components and raw materials can be developed." It claims that South Africa is already the foremost arms producer in the southern hemisphere.



The Shackleton—to be retained in service

The naval budget, rising from R111.5m to R127.5m, envisages a decrease in operating costs, but a 29 per cent increase—to R97.2m—in spending on fixed assets.

Although the cancellation by the French of the delivery of two corvettes and two submarines "affected the planned development of the navy," it had been offset by "the very satisfactory development of local warship construction and related industries, which have delivered a number of patrol vessels for naval service." South Africa's long-range Shackleton reconnaissance aircraft were to be revamped with

an extensive refit and modernised equipment, the paper says. Another indication of the effect of the arms embargo is that changes have had to be made in the defence forces' integrated and computerised logistics management information system "to deal with the effect of embargoes."

In general terms, the White Paper sounds confident about overcoming the embargoes, although the indications, including the fall in air defence spending, suggest that they are proving a considerable hindrance. South Africa "is past the stage where it is only self-sufficient in respect of internal security," it says. "The conventional and advanced technological fields have been successfully entered, and in many cases we

VENEZUELA'S ENERGY EXPORTS

Helping the poor relations

BY KIM FUAD IN CARACAS

JAMAICA and other Caribbean islands as well as the half-dozen Central American republics which depend on Venezuela for oil, face a crisis because of the rise in prices since the beginning of the year, Venezuelan oil specialists report. "The price increase has been so great it appears that a number of the countries will simply not be able to pay for it," the Venezuelians add.

The price of reconstituted crude an energy cocktail composed of 60 per cent crude oil and 40 per cent more costly naphtha and distillate, and needed by Caribbean and Central American refineries — will have jumped from \$14.80 a barrel in the first quarter to an average \$17 on April 1.

of the country's exports. Such a plan, moreover, implied the use of preferential prices—anathema to oilmen, including PDVSA. Sr. Humberto Calderon Berti, Venezuela's Oil Minister, has indicated that the new Administration will seek to soften the impact of price increases on its oil-poor Caribbean and Central American neighbours. In rejecting use of preferential prices, he indicated that Venezuela is likely to expand its present economic co-operation programmes in which about \$1.5bn have been invested since 1974.

Behind the insistence of both sides that the agreement, involving equipment for eight nuclear reactors from West Germany's Kraftwerk-Union, and nuclear fuel cycle co-operation sponsored by the German Government at a cost of \$13.5bn lie complex factors.

Midland Bank Base Rate. Midland Bank Limited announces that, with effect from Friday 6th April 1979, its Base Rate is reduced by 1% to 12% per annum. Deposit Accounts. Interest paid on accounts held at branches and subject to 7 days' notice of withdrawal is reduced by 1% to 9½% per annum. Abatement allowance on ledger credit balances for personal current accounts not qualifying for free terms will be 7½% per annum. Midland Bank

TOP OF THE LEAGUE

Vehicle production in Britain in 1978	
BL	743,103
Ford	430,879
Chrysler	214,098
General Motors	201,484

Source SMMT

Exports in 1977 (Latest available Industry figures)	
BL	365,128
Ford	221,983
Chrysler	132,963
General Motors	70,714

Source SMMT

HOME & AWAY.

BL is far and away Britain's leading motor manufacturer. We make almost as many vehicles as the whole of the rest of the motor industry in Britain. From Minis to 240 ton special purpose trucks.

And remember, nearly 30% of the vehicles the other major manufacturers sell in Britain are shipped in from overseas.

Unlike BL.

96% of our home sales are vehicles made in Britain.

We don't just make British.

We also buy British. Our purchases in Britain in 1978 were around £2 billion. Far more than any other UK-based motor manufacturer.

So much for our home record. Our record away is pretty impressive too.

Export statistics for the industry in 1978 are not yet available.

But our own export earnings of £910 million show that over 40% of the vehicles BL made in Britain last year were sold abroad.

And when you subtract our imports from our exports, you'll find we're Britain's biggest foreign currency earner.

And this, in a country that stands or falls on its exports.

So let's not forget.

A large successful British motor industry is fundamental to Britain.

We're large.

We're certainly British.

And we're on the way to being successful.

 **BL Limited**

WORLD TRADE NEWS

Fall-off in W. German shipping registrations

BY ANDREW FISHER IN FRANKFURT

THE CONTINUING crisis in the world shipping industry took its toll of West Germany's merchant fleet in 1978, when there was a fall in total tonnage for only the second time in the past 30 years.

The German Shipowners' Association (Verband Deutscher Reederei) said in its latest review of the industry that the number of ships sailing under the national flag registered in the country fell from 636 to 599, excluding coastal and fishing vessels, with tonnage down from 9.07m gross registered tons to 8.74m grt.

Many shipping sectors is wholly inadequate. The gloomy outlook for the industry was also reflected in a drop in the number of new ships put into service by West German owners last year. Compared with the 52 new ships totalling 628,000 grt which were added in 1977, the 1978 figures were down to 47 vessels and 507,000 grt.

U.S. will sell arms to Swiss

By John Wicks in Zurich

SWITZERLAND IS to buy American arms worth a total of \$173.5m. The order, which has now been approved by the Government in Washington, covers 207 Howitzers, 160 vehicles for the transport of munition and 225 armoured troop carriers.

Rise in March sales of Volvo and Saab

BY JOHN WALKER IN STOCKHOLM

SALES OF new cars in Sweden during March were 20,300—an increase of 12.14 per cent. Mercedes-Benz of West Germany will invest \$50m in its Argentine subsidiary over the next four years, AFDJ reports from Buenos Aires.

Mercedes said the money will be used to re-equip and modernise its Buenos Aires automotive plant. The decision was made "to face the challenge implied by the new auto law" which will allow cars and heavy trucks to be imported into Argentina once again.

MITSUBISHI Motors Corporation has started marketing in Tokyo Chrysler Corporation's compact car Omni-24 at prices ranging between ¥1.85m (\$4.2m) and ¥2.41m (\$5.5m). Mitsubishi hopes to sell 100 Omni-24 vehicles a month in the initial year and 15,000 cars annually in 1980. The model is powered by a 1,715cc engine produced by Volkswagenwerk of West Germany.

UK-Tokyo car talks

By Kenneth Gooding, Motor Industry Correspondent

A DELEGATION from the UK Society of Motor Manufacturers and Traders will have talks in Tokyo with the Japan Automobile Manufacturers Association (JAMA) on April 24 and, for the first time for some years, the British will have no major complaint to make.

Competition for Israeli buses

BY L. DANIEL IN TEL AVIV

SIX EUROPEAN bus manufacturers are competing for orders for 1,000 new buses for the Israeli inter-urban bus co-operative over the next two years.

Companies are Leyland, Man, Mercedes, Volvo, Renault and Fiat. Man buses have been tried on Israeli roads for some years and the company has announced it is preparing to market 3,000 buses in Israel over the next three years.

Land Rover The first 512 Land Rover ambulances ordered by the Dutch Army have been handed over on schedule in Holland, our motor industry correspondent writes. The Dutch Army has placed orders for 3,917 ambulances, worth nearly \$20m, for delivery up to February, 1982.

Sony to market cosmetics

BY YOKO SHIBATA IN TOKYO

SONY IS to enter the cosmetic business this autumn in collaboration with three French cosmetic manufacturers.

Sony Creative Products, a Sony subsidiary, will import cosmetic materials in bulk from three French cosmetic manufacturers, namely Stendhal (basic cosmetics and make-ups), Creation Aromatiques (perfumes) and SEPA (soap), which will be packaged in containers designed by Sony using a new brand name.

be very competitive with those of Japanese makers, since Sony Creative Products will aim especially for the young women's market (18- to 20-year-olds). For the first year, the company expects sales to reach ¥500m (\$3m).

Irish electricity

Irish Wheelchair has received a contract valued at \$74m (£40m) from Ireland's Electricity Supply Board (ESB).

The station, which will cost approximately \$550m to build, is expected to be in operation in 1985. It represents an effort by the ESB to diversify fuel sources for electricity generation.

Swedish beverage

Bejerinvest, a major Swedish investment company with brewing and soft drinks interests, has concluded an agreement with the Joseph Schlitz Brewing Company of the U.S. to market Beiler's Ramlosa mineral water, writes John Walker in Stockholm.

Swedish domestic production (Saab and Volvo) is expected to increase this year and sales in the U.S. and Canada have improved. The U.S. was up 50 per cent during the first quarter and Canada by 27 per cent.

INDIAN JOINT VENTURES

Boosting foreign earnings

BY K. K. SHARMA IN NEW DELHI

ENCOURAGED BY foreign exchange earnings of Rs 780m (£50m) last year from joint business ventures in other countries, the Indian Government is making it easier for local entrepreneurs to do business overseas.

They are to be delivered over the next two years. Requirements to renew the Israeli fleet are, however, much larger, and will probably require the import of another 1,500 buses.

Short-term deficit seen for China

TOKYO—A China expert in the Japan External Trade Organisation (JETRO) said 1979 and 1980 will be the most difficult period for China's overall balance of payments, because the country will have a total deficit of \$3.73bn (£1.8bn) during the period against present external reserves of an estimated \$4bn.

After 1980 China's overall balance of payments will improve steadily to a small surplus of \$10m in 1981 and a sizeable surplus of \$4.64bn in 1985, mainly because China's exports will increase by an annual average of 14.4 per cent.

At the same time, however, China's exports to non-Communist nations will also increase steadily from \$9.55bn in 1979 to \$21.78bn in 1985, when the debt service ratio—ratio of debt service to exports—will become steady at 12.4 per cent.

ASEA Finland deal

AN ORDER has been placed by KEMI OY, a leading Finnish pulp and paper group, with ASEA, the Swedish electrical engineering concern, for a computer-based production, planning and control system for installation in the KEMI mills, writes John Walker in Stockholm.

Having already established a broad industrial base and having developed indigenous technology in a number of fields, the Government sees joint ventures as a lucrative and expanding source of foreign exchange earnings.

Brazil chemical plant

Setal Instalacoes Industriais, the Brazilian subsidiary of C-E Lummus has been awarded a \$100m (£50m) order for a low density polyethylene plant to be constructed at Triunfo, site of Brazil's third petrochemical centre. This will be the first major petrochemical plant where the whole basic engineering is completely developed in Brazil.

ENERGY REVIEW

Britain's strategy for nuclear power

BY DAVID FISHLOCK

Britain's strategy for nuclear power

THE NUCLEAR reactor design of Babcock and Wilcox (U.S.) which suffered the accident at Three Mile Island in Pennsylvania last weekend is one of four currently being evaluated by the Central Electricity Generating Board for its choice of a system and partner for Britain's planned demonstration pressurised water reactor. The decision would by now have been taken—though the board would almost certainly not have chosen the Babcock reactor, for reasons other than safety—had Britain not taken so long to reorganise the reactor design and construction industry.

uranium-235 component has been burnt in nuclear reactors—can be re-enriched profitably in this plant and restored to the composition of fresh uranium. The old plant is working flat out at 300 tonnes of enrichment capacity a year, restoring part of the electricity industry's stockpile of depleted uranium from 0.3 to 0.71 per cent enrichment.

from the electricity supply industry and one-quarter from exports. This year BNFL will spend about \$60m, and it would be much more were it not for difficulties in recruiting top-flight engineers. It has even ordered a fleet of three ships specially designed to commute between Japan and Europe with spent nuclear fuel and highly radioactive waste.

balance of plant," the equipment common to any thermal power station. The boilers—an integral part of the reactors—by all accounts have performed remarkably well, and the electricity industry is confident it has learned how to control a tricky new kind of machine. Dr. Ned Franklin, managing director of the Nuclear Power Company, which built the reactors, sees them as prototypes of a new kind of reactor, and says confidently that most of their problems are "the difference between doing it for the first time and doing it again."

BHP-China meeting

BY JOHN HOFFMANN IN PEKING

A GROUP of senior executives of the Broken Hill Proprietary Company of Australia has arrived in China for two weeks of consultations which could lead to a significant role for Australia in the development of China's steel industry.

Insurance Corporation (EPIC) has signed an agreement to provide China with a \$450m (£27m) credit facility. The facility for the purchase of Australian capital goods and services, will provide 85 per cent of the cost, with China paying the other 15 per cent cash.

Assuming that Japanese exports of plant and equipment to China during the 1978-85 period will be \$9bn, Japan's total exports to China during this period will be nearly \$40bn, Reuter

China is expected to use the credit to buy \$20m Australian prefabricated motel units. Repayment terms will be in accordance with those agreed for export financing by the OECD.

Its most highly publicised investment is the \$600m chemical plant for reprocessing spent oxide fuel at Windscale, approved by the Government last year after an unusually long public inquiry. Less publicised is the work on three other reprocessing plants in Britain. Also at Windscale is the \$365m project for reconstructing the front end of the chemical plant for reprocessing spent Magnox uranium fuel, scheduled for completion in 1981. Already, however, the refurbishing of particular parts of this process has begun to pay off with faster processing of Magnox fuel in recent weeks, says Mr. Con Alday, BNFL's managing director.

One feature of the 1954 project which has received close attention from Dr. Marsham's team in the past year is plutonium fuel manufacture. It has designed a new chemical process, which gets all its own radio-active effluents and wastes. It also produces the fuel in a form free from dust and thus simpler and cheaper to handle safely. Such a process could well be required as an integral part of the demonstration fast reactor project.

Pakistan-Canada locomotive deal

OTTAWA — The Canadian International Development Agency will lend Pakistan up to \$10m (£4.2m) to finance half Pakistan's cost of buying 30 Canadian locomotives.

The CIDA which handles the Government's foreign aid, said the new locomotives will allow Pakistan to phase out 45 antiquated steam shunter locomotives, some of which have been in service since World War One. AP-DJ

of the world's 20-odd nations generating electricity from nuclear energy today, Britain is the only one in having no commercial PWR. It can therefore view more dispassionately than most countries recent events in the U.S. Indeed, the Prime Minister in Parliament this week went so far as to claim: "We have been very wise in concentrating on a safe type of reactor." He did not mention that Britain had suffered—but survived without public harm—two melt-downs in military gas-cooled reactors. One was repaired and has become a reliable commercial electricity source.

Extra capacity

The latest nuclear investment, approved by the Government in February and just granted planning permission, is \$90m for another tranche of uranium enrichment capacity at Capenhurst, utilising the new gas centrifuge technology. This will cover the cost of a building and services for 500 tonnes of enrichment capacity, and gas centrifuges to meet half that capacity for the moment. The extra capacity of 500 tonnes is needed to fulfil orders already taken by Urenco, the Anglo-German-Dutch enrichment company, in which BNFL is the UK shareholder. The company stresses that it is not "building for stock" but expanding only in response to firm orders.

The fast reactor demonstration is expected to be completed in 1982. The project is going to make little progress until the industry can tell an inquiry confidently how it plans to manage and control such a project. But for more than a year it has been arguing both within itself and with Mr. Anthony Wedgwood Benn, the Secretary for Energy, about how it should be reorganised to meet the demands of a nuclear construction programme expected to be no greater than 1,000MW a year for some years to come, and yet be ready to expand rapidly in the 1990s.

New reactors

The Nuclear Power Company has just finished signing a design-phase contract with the electricity supply industry for these new stations. Before the contract is also expected to have the contract to construct for start on site in the spring of 1980, says Dr. Franklin. But for months the company has been working on the new reactor, with a team which now numbers over 200. In mid-March it held a meeting in London with its sub-contractors to explain strategy and tactics for ordering the new reactors and, to quote Franklin, "give some assurances to our suppliers."

Commercial Bank of Wales Limited. Base Rate. Commercial Bank of Wales announces that, for balances in their books on and after 7th March 1979 and until further notice their Base Rate for lending is 13% per annum.

The operator, British Nuclear Fuels, has also found a new role for another former military plant, the old uranium enrichment plant at Capenhurst, in Cheshire, built in the 1950s to make nuclear explosive. This gaseous diffusion plant was acquired by the company at a knock-down price of a few million pounds when the Ministry of Defence found it could supply British plutonium for highly enriched American uranium.

The buoyancy of the fuel services business and of BNFL's factors, in almost every respect but recruitment and senior staff, is not reflected quite so obviously in the reactor construction side of the industry. Yet the picture here is far from gloomy. Fuel is expected to be loaded this autumn into another British reactor, the first of the twin 600 MW advanced gas-cooled reactors (AGR) at Dungeness B in Kent. First power should be generated early next year. At Hunterston, Scotland, the AGR badly damaged by seawater is expected to be back on load by the end of the year.

One project which the Government has not yet authorised—although it continues to spend about £50m a year on research and development for it—is the commercial fast breeder reactor or "plutonium burner," as some would now prefer to call it. But within the industry work has been redirected over the past year, on the assumption that when a scheme finally wins the Government's approval in principle it will be for a more adventurous project than the present "reference design." In effect, it will be a second-generation reactor, progressing beyond the French Creys-Malville (Superphenix) project, scheduled for completion in 1983.

The UKAEA has at last won authority to order replacement steam generators for the

Commercial Bank of Wales Limited

British Nuclear Fuels

the UKAEA

the UKAEA

the UKAEA

Commercial Bank of Wales Limited

British Nuclear Fuels

the UKAEA

the UKAEA

the UKAEA

Commercial Bank of Wales Limited

British Nuclear Fuels

the UKAEA

the UKAEA

the UKAEA

Commercial Bank of Wales Limited

British Nuclear Fuels

the UKAEA

the UKAEA

the UKAEA

BL's bus and truck division loses £15m

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

LEYLAND VEHICLES, the truck and bus division of BL, incurred a £15m loss in 1978 when it had budgeted to make a £26m profit. Employees have been told.

On top of the £15m loss the company set aside a further £18m to cover the cost in 1979 of lower manning levels and closures.

Before paying interest on loans from BL, Leyland Vehicles was in the red by £3.5m.

These figures were not given when BL announced its preliminary results for 1978.

Leyland Vehicles employees have been told that at the root of the company's financial problems was its failure on the sales front. It budgeted for revenue of £565m in 1978 but missed this target by more than £120m.

"The effects of our failure to hold market penetration and the crippling long-term strike at the Batgate plant were never so evident," the company said.

And during the year the com-

pany absorbed cash, totalling £74m which was £33m over budget.

The company went on: "Add to that the fact that our manning level rose from 27,710 to 27,760 in 1978 and it is clear why new managing director Mr. David Abell moved quickly to revamp our sales and marketing operations and to reduce manpower levels when he arrived in December."

UK registrations of Leyland trucks fell by 450, wholly as a result of supply problems and the company's market share fell as a result from 22.3 per cent in 1977, to 19.3 per cent.

Exports were also hit by production problems and at 15,000 units were 6,000 down on 1977.

However, Leyland Vehicles insists that "all is not gloom". We are injecting capital in a massive way and we will remain ground this year. Already new bus models are proving a hit; a new truck range is on the horizon; our sales and marketing activities have an aggressive new look and production has turned in the right direction."

UK registrations of Leyland trucks fell by 450, wholly as a result of supply problems and the company's market share fell as a result from 22.3 per cent in 1977, to 19.3 per cent.

OBITUARY

Lord Allan dies in Australia

LORD ALLAN of Kilmahew died suddenly yesterday in Sydney, Australia, shortly after arriving from London on a business trip.

Lord Allan, formerly Mr. Robert Allan, was aged 64. He had been a politician and a publisher and had been about to start a farewell visit to Australia before his retirement on the Pearson Longman board this summer.

Born in 1914, Lord Allan was educated at Harrow, Clare College Cambridge (he ran

cross-country for the university) and Yale.

He had a distinguished career during World War Two serving in the navy, mainly in coastal forces in the Mediterranean before finishing as Deputy Chief of Naval Information in Washington in 1945-46.

As a result of his war service he was awarded the Distinguished Service Order in 1944, and the Order of the British Empire in 1942. He received a number of foreign honours—including the French Croix de Guerre and Legion

d'Honneur and the U.S. Legion of Merit. He was also mentioned in dispatches five times.

He contested Dunbartonshire in the General Election and by-election in 1950. He became Conservative MP for South Paddington in 1951 and served until 1966.

Lord Allan held a series of junior posts. After two years as an assistant whip he served from December 1955 until January 1958 as parliamentary private secretary to the Prime Minister, first Sir Anthony Eden and then Mr. Harold Macmillan. In January 1958 he became Parliamentary and Financial Secretary to the Admiralty and in 1958-60 was Parliamentary Under-Secretary at the Foreign Office.

In October 1960 he resigned to become a treasurer of the Conservative Party which he was until 1965. He was chairman of the Conservative Central Board of Finance in 1961-68. During the 1966 General Election he was the main aide travelling with Mr. Edward Heath. He was created a life peer in 1973.

After resigning from the Foreign Office he was able to resume his business interests. He was particularly involved in book publishing, and from the formation of Pearson Longman in 1968 until his death he was a director of the company, at one stage as deputy-chairman. He was a director of the



Lord Allan of Kilmahew

Financial Times from May 1963 until December 1975. He was chairman of Ladybird Books.

Lord Allan was also a director of the Bank of Scotland and was chairman of its London board. He was a director of H. Clarkson (Holdings).

Among his other activities he was a governor of the BBC from 1971 to 1976, a governor of Harrow School from 1968 to his death and a trustee and chairman of Lord Mayor Treloar Schools.

He leaves a widow and a son and daughter.

Council groups split over plans

BY PAUL TAYLOR

A MAJOR rift was developing yesterday between two Conservative-controlled local authority associations over Government plans for local government re-organisation.

The Association of County Councils yesterday published its response to the Government's White Paper proposals, to hand back certain powers from county to district councils, and said the change would cost up to £80m a year.

Over the past few weeks Conservative Party leaders have been working towards patching up the differences between the association and the Association of District Councils which largely favours the Government's proposals.

However, the prospect of formal talks between the two associations appeared to be in jeopardy yesterday after the county councils said the discussions would only cover "minor changes and adjustments which do not require legislation."

Sir Duncan Lock, chairman of the Association of District Councils, responded immediately saying that if legislative change was ruled out "there seems little point in the discussions."

In the run up to national and local elections on May 3, this divergence of views could pose a serious problem for the

Conservative Party. The Association of County Council's memorandum on the White Paper on "organic change" argues that the Government has "failed to produce any valid evidence in support of its proposals."

The proposals, which involve handing back responsibilities for education, social services, transport, highways and planning to the larger non-metropolitan district councils are widely seen as an attempt by the Labour Party to win votes in the local elections while advocating the need for increased local democracy.

Dame Elizabeth Coker, chairman of the Association of County Councils, said the proposals could involve the transfer of about 100,000 staff and the employment of an additional 12,000 staff.

The Government's proposals could result in an additional £80m a year being spent.

The figures were dismissed by both the Association of District Councils and Mr. Peter Shore, Environment Secretary.

Mr. Shore said the county councils' arithmetic was "a flight of fantasy" and did not take any account of potential savings. He added that if the figure of £15m to £21m for administrative costs were correct this had to be compared with a total shire county and district annual expenditure of £7bn a year.

Building societies 'face fund problems'

BY ANDREW TAYLOR

MR. DENNIS HOWROYD, chairman of the Provincial Building Society, says it is becoming increasingly difficult for building societies to compete with Government and insurance companies for funds from potential investors.

Mr. Howroyd, in his annual statement, says Government and the insurance companies are able to offer investors tax benefits as well as a competitive return on their money.

They could secure funds by offering tax exemption, and this was becoming a matter of concern to building societies—at a time when more and more investors are becoming subject to higher rates of tax and investment income surcharge.

It may seem ironic that the banks should have expressed their desire for fiscal parity with us when much greater advantages are enjoyed elsewhere.

Mr. Howroyd says that increasing instability of investment funds coming to building societies, coupled with rising house prices, "might ultimately

inhibit the progress which societies can make in responding to the unsatisfied demand for owner-occupation."

Provincial says that the cash needed to cover withdrawals in 1978 was seven times higher than the equivalent sum in 1970.

The flow of money into the building societies, combined with repayments of existing loans still fell well short of current demand for funds from potential home owners. At the end of last year, the societies' average liquidity ratio was at its lowest since the beginning of 1974.

Provincial's accounts show that its ratio of liquid funds to assets declined from 42.4 per cent at the end of 1977 to 18 per cent at the end of 1978.

The society's assets increased by 18.8 per cent in 1978 to £1.2bn. Investment receipts for the period totalled £528m and investment withdrawals, £380m, leaving a balance of £1.16bn. Advances on mortgages during 1978 increased from £216m to £292m.

But Mr. Howell refused to accept this and other recommendations aimed at saving the British Waterways Board the resources to do repairs and meet its statutory duties.

The board, expected to maintain the canals in a condition suitable for use by freight and cruising craft, warned nine years ago of the need for £21.5m to overtake maintenance arrears.

The Environment Department did nothing for four years, then commissioned a report which was submitted to ministers in January 1976. It was not until November 1977, however, 13 days before Mr. Howell gave evidence to the select committee, that the Government published the Fraenkel Report.

It called for £37.6m for urgent repairs, equivalent to £8m at today's prices, nearly three times the original board estimate.

The Government has given the board £5m for 1978 to 1979 and has promised a further £5m for 1979 to 1980 for repairs.

MPs in new bid to save canals

BY LYNTON MCLAIN

AN ALL-PARTY group of MPs yesterday called for a Parliamentary debate on the future of the British Waterways Board, nine months after the government rejected its recommendations for saving the canals.

The MPs on the Commons select committee on nationalised industries said in a one page report that Parliament "should not be prepared to tolerate the inability of the board to meet its statutory duties."

The House, said the report, should debate a specific motion calling for the Government to implement the recommendations without delay.

Such a debate would be held against a background of repeated Government delays over canal repairs and earlier criticism by the MPs of Mr. Denis Howell, Minister of State for the Environment.

The committee called for ministerial responsibility for the canals to be transferred from the Environment Department to the Transport Department.

Sixty nations' experts meet to cut airport delays

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

METHODS to speed the flow of passengers through airports are to be studied by experts from more than 60 countries at a meeting in Montreal from April 18 to May 5.

The meeting has been called by the International Civil Aviation Organisation, the technical agency of the UN. It will study improved customs and immigration procedures, as well as methods for speeding baggage reclamation.

Among measures to speed passenger flows that will be discussed are special customs and immigration facilities for holiday groups or other parties, and the possible introduction of "special problem" desks freeing the normal immigration channels for others.

Another technique is called "pre-clearance." A passenger's baggage is cleared by customs on departure, rather than on arrival, thus eliminating delays. This is already available in

some countries, but is not yet universally acceptable.

Lost baggage will also be discussed. Various methods of combating the problem will be proposed, including increased training facilities for airline staffs, and a campaign to encourage travellers to remove all unnecessary destination tags from baggage to avoid confusion about their destination.

The eventual improvement in passenger handling, however, will remain a matter for airlines and their staffs to resolve. The organisation has no power to enforce its recommendations.

British Caledonian Airways is adding a fourth flight each week to its services between Gatwick and Algiers, and is introducing first-class seating on the route. Flights will be daily from Mondays to Thursdays.

Singapore Airlines has sent a team to China, to discuss the possibility of a route between Singapore and Peking

Announcing

BRANIFF AIRPASS

BRANIFF INTERNATIONAL
Mainland USA, Hawaii, Alaska, Canada, Mexico, South America and Europe.

ONLY £175 Economy

ONLY £200 First Class

30 days unlimited air travel with Braniff anywhere in the USA.

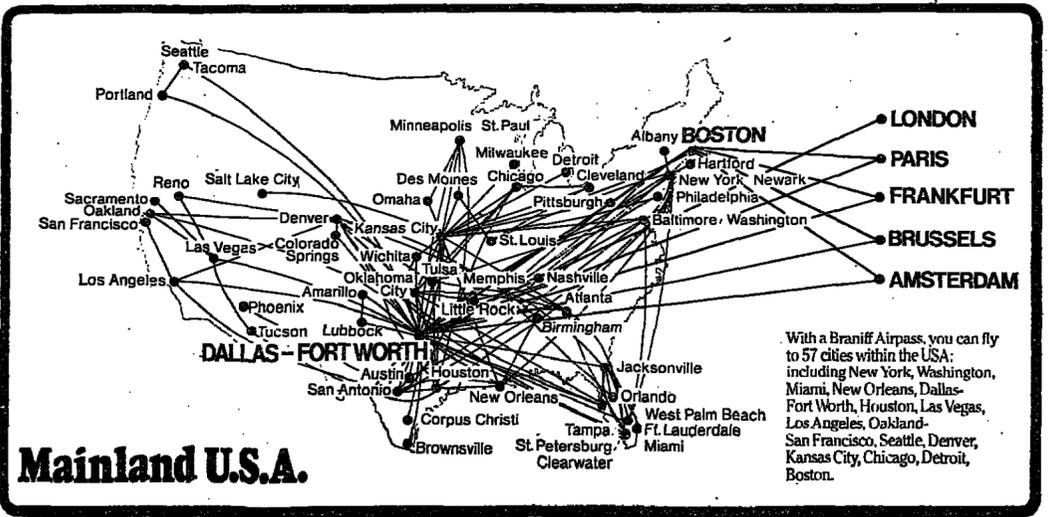
Now Braniff International announces The Braniff Airpass to make air travel within the USA less expensive than ever before.

Anyone who buys a Braniff return ticket from Europe to the States is eligible to purchase The Braniff Airpass, which allows 30 days of unlimited travel on Braniff in the continental USA. The price in Economy is £175 per adult, and £115 for children 2-11 years old. Alternatively, you can fly First Class for just £200.

And if you wish, you can fly Braniff Economy or Standby to and from the States—and then fly First Class on our Airpass.

Here's how the Braniff Airpass works

1. Only transatlantic passengers flying Braniff are eligible to purchase the Airpass for travel on Braniff within the USA.
2. The Airpass must be purchased in Britain or Europe from travel agents or Braniff before departure for America.
3. The Airpass booklet of 25 coupons will be issued to travellers at any Braniff Sales Office or airport ticket counter in Britain or Europe upon presentation of the Braniff transatlantic round trip ticket and the travel agent purchase order.
4. Reservations for travel on Braniff domestic flights within 30 days after arrival in the USA may be made at any time.



Braniff's transatlantic service

Braniff's Big Orange 747 is the only daily non-stop service to Dallas-Fort Worth and the Southwestern USA. It leaves Gatwick at 12.45 pm and arrives Dallas-Fort Worth at 3.05 pm. From there, we can fly you on to 57 major business and holiday centres throughout the USA.

Airpass fares

	Adults	Children (2-11)
First Class	£200	£130
Economy	£175	£115

Reservations

For details and reservations ring your Travel Agent or Braniff on 01-491 4631.

Braniff's low air fares

There are no lower fares to Dallas-Fort Worth.

Fares to Dallas-Fort Worth	Standby thru 31st May 79	Budget thru June 16	Apex thru June 11	Evening thru June 11	First Class All Year
London-Dallas-Fort Worth	£173	£165	£190	£431	£804

BRANIFF INTERNATIONAL

Mainland USA, Hawaii, Alaska, Canada, Mexico, South America and Europe.

UK NEWS

Housebuilding fall of up to 25% likely

BY ANDREW TAYLOR

THE SEVERE winter weather in the last three months has led to a deterioration in an already low level of UK housebuilding. Latest Department of Environment figures show falls of up to 25 per cent in building in the three months to the end of February.

These show that in February, building work on 12,600 houses and flats was started—a 17.6 per cent decline on the comparable figures for last year. In the same month, 16,400 dwellings were completed—20 per cent less than in February, 1978.

Pilkington plans £30m Fibreglass programme

BY ANDREW TAYLOR

PILKINGTON BROTHERS, the UK glass group, is to spend £30m modernising and expanding the insulation division of its Fibreglass subsidiary.

The main portion of the money is to be spent at its Ravenhead factory in St. Helens, where Pilkington plans to build a new production line which it says will be able to produce a greater range of insulation products.

reduction would be handled had still to be "worked-out" with the unions involved. Pilkington said however that despite the initial job loss there were prospects that the expansion might lead in the longer term to the creation of more jobs.

Mr. Bill Snowden, chairman of Pilkington's Fibreglass subsidiary, said that the expansion and modernisation programme would increase production by 25 per cent. Two years ago the group had spent £20m at the Pontyfelin plant which had doubled the subsidiary's output of insulation products.

line at St. Helens would help maintain the group's position in the insulation market. Without the investment many jobs would be lost as the group's products became outdated. Pilkington, inventor of the revolutionary float glass manufacturing process, has been steadily increasing its insulation products business while the glass fibre business in total now generates about 20 per cent of group sales—£256.9m in the six months to September 30, 1978.

This latest investment takes Pilkington's spending on new projects now under construction—including its new float glass plant at St. Helens—to £125m.

Absentee levels worry the Scots

ABSENTEEISM LEVELS in companies in the West of Scotland are higher than most other parts of the UK and could be twice as high as in the South of England, according to a Glasgow Chamber of Commerce survey.

Based on replies from more than 90 companies, the chamber concludes that absenteeism among male workers averages between 7 and 8 per cent and for women between 10 and 11 per cent. Only 14 companies had an average rate below 5 per cent and 52 had more than 10 per cent.

Pearson Longman executive takes top job with EMI

BY MAX WILKINSON

MR. ROGER BROOKE, vice-chairman of Pearson Longman has been appointed group managing director of EMI, a post which has been vacant since a major re-organisation of the group last summer.

Mr. Brooke will become second in command at EMI after Sir John Read, who retains his title as chairman and chief executive. In July last year, the group was re-organised into five divisions responsible for product groups on a worldwide basis. A sixth division was set up for research.

He will now be assisted by Mr. Brooke who joins the group in June. Mr. Brooke, aged 48, a former diplomat, became deputy managing director of the Industrial Reorganisation Committee in 1966. Since 1971, he has been a director of S. Pearson and Sons.

Warrington wins more jobs

THE WARRINGTON Development Corporation beat its job-creation objective by more than 30 per cent according to figures for the year ending March 1979. They showed the 42 companies which signed with the corporation during that period, have created 2,000 new jobs—468 in manufacture, 919 in service or distribution, and 622 in science and technology.

Jenkins urges rethink on joining EMS

THE NEXT Government should reconsider Britain's decision not to join the European Monetary System, Mr. Roy Jenkins, President of the European Commission, urged yesterday.

see a period of exchange rate stability which would enable them to take the longer-term decisions which have hitherto been damagingly lacking. "I believe the EMS provides a launching pad, and I devoutly hope the new British Government will feel able to join the system."

Big Western economies 'face growth-rate falls'

BY DANIEL FREUD

THE GROWTH rate of the seven major Western economies will drop from 3.9 per cent in 1978 to 3.5 per cent this year, according to the Economist Intelligence Unit.

pected to remain at 5.5 per cent and while there are improved prospects for West Germany, Italy and France, this will be insufficient to offset the slowdown in the U.S. and the U.K. "But because foreign trade is a more important output component in the countries expected faster growth than in the U.S., the unit says the overall slowdown in production growth is not expected to have a severe impact on world trade."

Yves Klein painting fetches £43,000

MODERN and contemporary art is understandably the most difficult market in the salerooms, subject to fashion and the state of the world economy. Sotheby's can be reasonably pleased by an attracting £507,896 in a major sale yesterday with 29 per cent unsold.

Among the silver a George III gilt tankard sold for £1,350 and in the ceramics a Royal Worcester blue ground dessert service painted by R. Sebright for Aggrey in 1938 fetched £3,000.

SALEROOM

BY ANTONY THORNCROFT

Bidding was international. A German dealer paid £18,000 for Etoules variables by Wolfgang Schulze, while a Belgian private buyer paid the same price for another work by Schulze. A Japanese dealer paid £18,000 for Farfallepedes rectangles by Jean Fautrier and a Swedish dealer paid £15,500 for Les Animaux du Desert by Kazuo Appel. A Paris dealer bought Peinture 17 Janv 70 by Pierre Soulages for £9,500.

At Christie's a pair of terrestrial globes by Willem Janszoon Blaeu, 67 cm in diameter, and went to a London dealer. Phillips brought in £62,265 from musical instruments. An Italian violin made in 1750 by Joannes Baptistae Guadagnini sold for £20,000; it had been four recently at the bottom of a wardrobe wrapped in a pair of bloomers. The top price in the Bonhams picture sale was £2,800 for Ten with Grandmother by Harry Brooker, and at Christie's South Kensington a Japanese wood and ivory group went for £250.

Post-war clarets fetch record prices in London

BY EDMUND PENNING-ROWSELL

IN A MIXED fine-wine sale at Christie's yesterday some record and near-record prices were paid for leading clarets. A bottle of Mouton-Rothschild 1892 sold for £135, six magnums of Grand-Larose '52 fetched £220 and a double magnum of the same chateau's '45 made £260.

Mouton-Rothschild '45 and '520 a dozen pieces for Laffite '59 and a Mouton-Rothschild '59 The chateaux whose '61s achieved particularly high prices, per dozen were Laffite (£780), Margaux (£800), La Mission Haut-Brion (£440) and Palmer (£440). Other rarities that brought high prices, mostly from American and Continental buyers, included four bottles of the celebrated Quinta do Noval '31 port (£135), three bottles of same Quinta's '47 made from ungrafted vines (£180), a bottle of '1815 port (£271), a case of La Montrachet 71 (£420), and a single bottle of 3812 Napoleon (£250). The sale total was £84,228.

£2.5m ESO order for Cochrane

By Lynton McLain

ESSO PETROLEUM has ordered a 2,000 deadweight tonnage coastal tanker from the Independent Cochrane Shipbuilders of Selby, Yorkshire, in a £2.5m contract expected to be completed next summer.

The vessel is to be highly automated and will include a vibration-free deck house to comply with the accommodation noise levels recommended by the Trade Department. Cochrane Shipbuilders is part of the North British Maritime Group, of Hull, and the company won the order in the face of bids from other British yards and those overseas.

It has not been disclosed whether the Government's Shipbuilding Intervention Fund was used to help win the contract.

British Shipbuilders' Robb Caledon yard at Leith is expected to announce "within a few days" an order from the Nigerian Port Authority for two tugs. Work on the vessels will start almost immediately with delivery expected early next year.

The two crane barges the yard is building for Poland are almost complete, but the yard has a ferry conversion contract for Caledonian MacBrayne and steelwork for another ship for Poland.

OBITUARY

Mr. Roy Fenton

MR. ROY FENTON, chief executive of Keyser Ullmann, the City merchant bank, died suddenly early yesterday morning, aged 60. He had been at Keyser since November 1975, when he joined Mr. Derek Wilde as chairman, at the height of the bank's troubles.

Before joining Keyser Ullmann, Mr. Fenton was head of the Bank of England's overseas department. From 1968 to 1969 he acted as Governor of the Central Bank of Nigeria.

Mr. Fenton had been an extremely popular chief executive. "I enjoyed working with him as a good colleague for nearly four years," he said. Mr. Wilde and Mr. Fenton headed the new management team which saw Keyser Ullmann through the aftermath of the secondary banking and property collapse of 1973-74.

By 1977 the bank was free of support and last year turned in a pre-tax profit of £364,000, its first profit in several years.

Mr. Fenton is survived by his wife, Daphne, and a son. Cotton mill to close

CALEB SHEPHERD of Sagarholme Mills, Rossendale, one of Lancashire's oldest independent cotton manufacturing companies is to close within two months. The company was formed 125 years ago and its closure means 97 people will lose their jobs.

Mostek 'could not provide guarantees'

BY MAX WILKINSON

THE DEPARTMENT of Industry disclosed yesterday that Mostek, the semiconductor company which is to open a factory in Ireland, had been unable to give adequate guarantees to qualify for a regional development grant in the UK.

To qualify for the grant, which would have been worth £9.25m, the company would have had to guarantee to establish a manufacturing operation. But the company plans, shown to the Scottish Development Agency, were only for the testing of micro-circuits imported from Mostek's U.S. plant. Although the company said it wanted to establish assembly and fabrication operations in Scotland, the Department said yesterday Mostek had not been able to give firm guarantees that it would do so.

The Department said that it would have welcomed Mostek to Scotland and was co-operating fully with the Scottish Development Agency in the negotiations. Mostek is planning to set up a £40m plant in the Irish Republic on a 50-acre site in Blanchardstown. Initially the factory will be testing micro-processors, but by 1982 the company says it hopes to be providing 1,100 jobs fabricating and assembling micro-circuits.

Price Commission 'should be scrapped'

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

A CALL to scrap the Price Commission was made yesterday by Mr. Tony Emerson, newly-appointed chairman of the Food and Drink Industries Council.

Mr. Emerson said the Price Commission had failed to make any impact on inflation or pave the way for voluntary pay restraint. The council also partly blames the Price Commission for the poor profitability of Britain's food and drink companies. But the council's latest profits survey, released yesterday, shows that in spite of price controls the recovery in food and drink companies' profitability continued in the third quarter of last year.

The survey, based on 31 com-

panies in the industries, shows that net profit margins in the third quarter of 1978 reached 4.4 per cent on a seasonally adjusted basis. This was the best performance since the spring of 1976.

The third quarter figures continue the rise first shown in the April to June figures when profit margins reached 3.8 per cent. The recovery in profitability is largely due to the growth in sales volume last year. Extra expenditure over the past year tended to benefit consumer durables and fresh foods. The slow down in the rise of processed food prices and the stabilisation of fresh food prices—combined with a rise in real personal incomes—meant that sales volume recovered.

Agricultural Hall may become supermarket

THE FATE of the Royal Agricultural Hall still hangs in the balance. Lillington Borough Council has asked its planning officers to review two proposed redevelopment schemes. They will report back on June 5.

J. Sainsbury proposes a joint development with the council to build a supermarket in the main hall, an arcade of antique stalls in the Princes Gallery, and housing and small industrial units on open space at the rear.

The other proposal, by the Romm Doultou Organisation of the U.S., is for a leisure and tourist complex with a Dickensian theme costing £12m. Sainsbury is offering the council £1.3m for a 99-year lease. The Americans are proposing a sliding scale rent after a 10-year rent free period.

Copper semi-reference cancelled

MR. GORDON BORRIE, Director General of Fair Trading, said yesterday that he is not proceeding with a reference to the Monopolies and Mergers Commission of the supply of copper semi-manufactures. The intention to make such a reference had never been formally announced, but had been made known to the industry and had been the subject of comment in the Press. The pricing arrangements for copper semi-manufactures are copper semi-manufactures—list prices with discounts and rebates, and a high degree of price parallelism—appear to be similar to those in certain sectors of the insulated wires and cables industry. The Monopolies and Mergers Commission's report on the supply in the U.K. of insulated electric wires and cables, which has just been published, makes no adverse findings against these pricing practices in the cables industry.

Finance houses face status blow

By Michael Lafferty, Banking Correspondent

FINANCE HOUSES have been advised that they are unlikely to be recognised as banks under the new Banking Act. This is admitted for the first time in the annual report of the Finance Houses Association, released yesterday.

Mr. Joe Skelton, the association chairman, says in his statement that the former Conservative government's policy, outlined in the document Competition and Credit Control, had encouraged the finance houses to widen their activities into the field of banking.

Some had even been recognised as banks under the Companies Act 1967. "It was, therefore, a chastening experience for finance houses to be advised by the authorities that recognition, other than as licensed deposit-taking institutions, under the Banking Bill, was unlikely," he states. The annual report also reveals that the association has established a working party, under the chairmanship of Mr. David Windrow, a director of Citibank Trust, "to consider the problems and opportunities presented by the development of new forms of credit available to the customers of finance houses and, in particular, credit or cheque guarantee cards."

The association move has been prompted by the growing impact of credit cards, issued by the major banks and department stores, on the instalment credit market. Mr. Cyril Stein, chairman, said the company was "continuing to invest and expand. We have outstandingly able management teams within our divisions capable of generating and implementing new ideas and achieving new profit levels. We therefore look forward to the future with confidence."

Hope fades for 390 Belfast bakery jobs

THE CHANCES of saving 390 jobs at the Peter Pan Bakery in Belfast have diminished, in spite of attempts by the management and union to find a long-term solution to the company's financial problems.

The group has made no official statement, but the Northern Ireland Bakers' Union has received confirmation that redundancy notices are being issued. Workers with the longest service have been given 12 weeks' notice. The company employs 390 at its Belfast bakery. It was given £50,000 last month by the Northern Ireland Department of Commerce as a Temporary Employment Subsidy. Mr. Don Concannon, Ulster Industry Minister, asked management and the union for a plan to save as many jobs as possible. There seems to be more hope for 100 workers employed by a subsidiary, Eaton's Bakery, in Londonderry. Their jobs may be saved if a takeover by a flour-milling company in Co. Donegal, in the Irish Republic, goes ahead.

The future of the Peter Pan Bakery will be discussed next Thursday by Mr. Concannon and Mr. Gerry Fitt, MP for West Belfast. Some van salesmen have been offered jobs by the larger bakery concerns in Ulster, but the chances of most of the Belfast workers finding other work are slim.

More cars, but fewer fringe benefits for building managers

BY ANDREW TAYLOR

CONSTRUCTION INDUSTRY managers are more likely to run a company car than their counterparts in almost any other large UK industry, according to a survey published in the Building magazine. They also appear to be more likely to receive cash bonuses to augment their salaries. The survey says, however, that there is little evidence of some of the more "exotic" benefit schemes in other sectors. The survey of some 120 construction companies with turnovers ranging from £500,000 to £200m was carried out by the Building Business Unit. It showed that more than 80 per cent of managers received a company car.

Even lower paid managers were more likely to receive a company car than in many other industries. More than 80 per cent of site managers earning less than £5,000 received a car, and 17 per cent got car allowances. Over 96 per cent of managers in the contracts department—the highest paid group—received company cars. However, the survey says that it may be argued that company cars are essential for the job. It also says that many construction companies pay cash bonuses to managers. Only 27.6 per cent of the companies canvassed had no bonus system, and in most cases, bonuses applied to all management levels. These were sometimes as high as 20 per cent of the total salary, but were normally between 5 and 10 per cent of total salary. Salaries varied widely between each company. Heads of contract departments at the largest companies earned an average of more than £11,000 a year. Some were paid £2,000 more than the average paid for their same job at medium-sized companies. The most frequent fringe benefits for managers were pension schemes and private medical insurance, while most companies provided death benefits. These varied, but the most commonly cited death benefit sum amounted to three times annual salary.

Coutts & Co. logo and text: Coutts & Co. announce that their Base Rate will be reduced from 13% to 12% per annum on 6th April 1979 until further notice. The Deposit Rate on monies subject to seven days' notice of withdrawal will reduce from 10 1/2% to 9 1/2% per annum.

هكذا من التحول

The new Audi 80. Bigger. Faster. Quieter. Safer. In any order you like.



We at Audi are against change for change's sake.

So it wasn't just the fickle voice of fashion that led us to replace the much-admired Audi 80 with the car you see here. Of course, we hope you agree that the new model is sleeker and better looking than its predecessor.

But more important is the fact that while we were improving the 80's looks, we also improved just about everything else.

BIGGER.

The new 80 is 7 inches longer and 3 inches wider than the last model.

This not only gives the three rear passengers more leg and elbow room but also provides a bigger door to make getting in and out a rather more dignified process.

The wider track and longer wheelbase have improved the handling of a car already renowned for its roadholding and stability. And with an 11% greater window area, the new 80 is both lighter to sit in and safer to drive.

FASTER.

The new 80 comes in three versions, all with 1588cc engines.

The LS has a top speed of 99mph and accelerates from 0-60 in 13 seconds.

The GLS does 106mph and 0-60 in 11.8 seconds.

The GLE, available a little later in the year, reaches 113mph and 60mph from a standing start in 9.2 seconds.

These figures, incidentally, mean the GLE will out-accelerate and outrun such noted performers as the Saab 99GL, Lancia Beta 2000ES, BMW 316, Cortina 2000 Ghia, Fiat 132 and Renault 16TX.

QUIETER.

The floor of the new 80 is built around a special acoustic sandwich with the same insulating properties as

a 6in. thick brick wall. So road noise is cut to a minimum.

The clean wedge shape of the body has been developed to cut drag.

The result is reduced wind noise, plus the admirable side effect of saving fuel.

So although the new 80 is bigger and heavier than its predecessor, it is no more thirsty.

SAFER.

The Audi 80 has always been acknowledged as one of the safest cars to drive.

The new 80 is even safer.

The longer bonnet has reduced deceleration impact by 10%.

The petrol tank is protected from rear impacts within the passenger safety cell.

The doors, all with anti-burst locks, are 20% thicker and will all open from the inside after an angled crash.

And the self-stabilising steering and dual circuit braking system ensures that, even in the event of a high-speed blowout, the car will stop safely in a straight line.

WHAT MORE COULD YOU ASK?

You could go along to your Audi dealer and ask for a test drive.

That way, you'll find there's more to the new Audi 80 than can be dealt with in a mere advertisement.

More space. More performance. More hush. And more safety.

In any order you like.

The new Audi 80. From £4,650.

PRICES FOR THE NEW AUDI 80 RANGE ARE: LS £4650, GLS £5200, GLE TO BE ANNOUNCED. PRICES INCLUDE VAT, CAR TAX AND SEAT BELTS AND ARE CORRECT AT TIME OF GOING TO PRESS. NUMBER PLATES AND DELIVERY EXTRA. ALLOY WHEELS ARE AN OPTIONAL EXTRA. QUOTED FIGURES SUPPLIED BY OUR FACTORY. MANUFACTURERS' FIGURES USED FOR GLE COMPARISON. AUDI MARKETING DEPARTMENT: VOLKSWAGEN (GB) LTD., YECOMANS DRIVE, BLAKELANDS, MILTON KEYNES, BUCKS MK4 4 SAN. DIPLOMATY, NATO AND PERSONAL EXPORT ENQUIRIES TO: PERSONAL EXPORT SALES, 95 BAKER STREET, LONDON W1. TELEPHONE 01-486 9411.

NEWS ANALYSIS—THREAT TO BL TALKS WITH HONDA

Spectre of a toolroom strike looms

BY ALAN PIKE, LABOUR CORRESPONDENT

THE GHOST of BL's devastating 1977 toolroom strike has once again materialised, this time to overshadow the discussion about possible collaboration between the company and Honda of Japan.

If the toolmakers and other skilled workers go ahead next week with action on anything like the scale of the 1977 stoppage, there could literally be a clash less of BL for Honda to collaborate with.

Edwardes plea as support weakens

SUPPORT for the strike threatened by BL Cars' craft workers appeared to be weakening last night, as both the company and union leaders warned of the consequences.

Mr. Michael Edwardes, the BL chairman, issued a personal appeal to all skilled workers to ignore the action planned to start tonight.

—Ignore the strike call. Last month 100,000 BL manual workers voted 2-1 against a union call to go on strike over delays in making parity payments because of inadequate productivity, and this may indicate a prevailing mood which will be reflected by the craftsmen next week.

More than 100 senior managers in BL plants had been trying to explain to skilled workers throughout the day that "the objectives Mr. Fraser says he has are absolutely unobtainable, unachievable, by these deplorable methods that he is proposing to use."

refuses to negotiate with the United Craft Organisation because it is an unofficial body. It has to remain an unofficial body because the union is constitutionally opposed to sectional groups bargaining across companies.

The campaign to remind the AUEW of its responsibilities towards skilled workers has made Mr. Fraser many enemies in the official AUEW leadership. Members of the executive got so far as discussing the possibility of expelling him from the union during last year's SU strike.

Basic issues remain the same as at the time of the original strike. The toolmakers want action to give them parity, restoration of differentials and separate negotiating rights.

Yesterday, the industrial relations department at Cowley, where Mr. Fraser is based, did its best to isolate him by refusing to connect telephone calls to the AUEW shop stewards' office.

But on Mr. Fraser's demands for separate bargaining rights, BL can offer nothing and here the issue becomes tangled with AUEW politics. The company

In any case, neither the union nor company believe it would be a healthy development to grant separate negotiations to one group—a certain recipe for leap-frogging claims elsewhere—for two years it has been hoped that the company's new centralised pay structure would dampen this demand from the toolmakers.

BBC unions set to accept new 17% offer

BY PHILIP BASSETT, LABOUR STAFF

BBC staff are set to accept a new pay deal which gives increases of 17 per cent over 18 months from last autumn.

Details of the new award, which covers about 26,000 weekly and monthly paid staff, were being sent yesterday to branches of the National Union of Journalists, and the offer will be put to members of the Association of Broadcasting Staff at their annual conference which opens tomorrow.

It is expected that both major unions, as parties to the agreement, will accept the deal, which brings together the BBC's 5,600 weekly paid and 20,500 monthly paid staff in a common settlement, moving their respective dates from August and October to April.

The difference in the date for the two groups has caused considerable strain within the BBC since the monthly paid staff felt that anomalies had arisen from them being caught by the cut-off date for pay increases at the start of

Stage One of Government pay policy. The deal will give an increase of 8 per cent backdated to October for the monthly paid staff and 10 per cent backdated to August for the weekly-paid staff, both to be paid in a lump sum, for buying out the settlement dates of both groups.

A further payment adding 9 per cent to the BBC's £150m wage bill will be paid from April 1. The majority of technical and production trades will receive increases of 9 per cent, with 10 per cent for the weekly-paid staff and 11 per cent for certain low-paid grades.

The Home Office, which at the time of an award averaging 16 1/2 per cent by the Central Arbitration Committee just before Christmas when the ABS called a total strike of its 15,000 EBC members, made it clear that any breach of the 5 per cent guidelines would be taken into account in considering any future application in the TV licence fee, is understood to have approved the 9 per cent increase.

The corporation, though, may be asked to fund some of the backdated lump sum itself from present licence fees.

Power men likely to agree on 9% offer

By Pauline Clark, Labour Staff

THE POWER workers' unions look ready to settle peacefully in the wake of the miners' and help Labour's election campaign. Yesterday their negotiators agreed to recommend a 9 per cent pay offer plus an extra day's holiday and consolidation of bonuses.

The offer will be put to a ballot of the 95,000 industrial workers which will not be completed until a week after polling day.

During last year's wage round a ballot conducted against a background of militancy in the power stations produced only a 500-vote majority in favour of a settlement worth over 20 per cent for some workers.

The unions led by the Electrical and Plumbing Trades Union and the General and Municipal Workers' Union "unanimously" agreed to recommend acceptance.

Civil servants will present common front in wage talks

BY PHILIP BASSETT, LABOUR STAFF

CIVIL SERVICE unions are expected to meet Ministers today after all eight unions closed ranks yesterday to present a common front on pay and press for improvements in the Government's "final" pay offer of 9 per cent plus further stage increases.

The Civil and Public Services Association and the Society of Civil and Public Servants yesterday pulled off 22 of their members at the Polaris nuclear submarine base at Coulport on the Firth of Clyde.

The eight unions at a meeting of the National Whitley Council Staff Side yesterday unanimously decided to seek an early meeting with Ministers to press for improvements in the 9 per cent initial payment; for a formula geared to helping the lower paid to replace the offered payment of half the rises due from the Pay Research Unit comparability study; and for bringing forward the timing of the remainder of the pay unit rises from March 31 next year.

The immediate agreement on pay—even the two unions whose executives have accepted the offer agreed yesterday to press for improvements—was reached in spite of a crisis in the staff side which led yesterday

neglect made worse by the differential—squeezing impact of pay policy. The demand for separate negotiations is seen as a means of protecting the interests of a minority of craftsmen in an industry dominated by semi-skilled workers.

The campaign to remind the AUEW of its responsibilities towards skilled workers has made Mr. Fraser many enemies in the official AUEW leadership. Members of the executive got so far as discussing the possibility of expelling him from the union during last year's SU strike.

Mr. Fraser and his colleagues are gambling everything on getting Quoting from Wednesday's Financial Times, Mr. Fraser said yesterday that he agreed with comments by Mr. Michael Edwardes, chairman of BL, that British society had "traditionally undervalued the contribution of the engineer."

This is entirely Mr. Fraser's view. Skilled engineering workers are, he says, indeed undervalued and neglected and his members believe they must fight to reverse this trend even if it does mean another dispute in BL.

The timing of the proposed strike at the start of the General Election campaign is apparently a coincidence although a major dispute in BL would obviously become an important election issue. Its timing also coincides with the meeting later this month of the AUEW national committee—the body which has to decide policy for a union in which the claims of toolmakers and other groups do not always overlap.



Mrs. Shirley Williams and Mr. Albert Booth

Cash-for-jobs scheme proposed

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

MANY UK employers may face a choice of hiring more young workers in return for short-term grants or being required to do so by legislation.

Introducing the document in London, Mr. Albert Booth and Mrs. Shirley Williams, Employment and Education Secretaries, carefully avoided justifying Conservative claims that they were using their Ministerial positions for electioneering.

He ruled out any legislation to force employers to take part in such a scheme. A second consultative document on the 16-18 age group, also published yesterday, sets out a large number of questions to be considered by education authorities and interest groups in planning educational responses to the impending decline in pupil numbers.

Security measures agreed

BY PAUL TAYLOR

POLICE CHIEFS yesterday agreed on measures to combat the possibility of terrorist attacks during the general election campaign and to protect candidates, polling stations and their meeting places.

More than 50 Chief Constables met at Scotland Yard yesterday to discuss security measures in the aftermath of the murder on Friday of Mr. Alfred Neave.

ing on an opinion poll carried out by Market and Opinion Research International which showed that 19 per cent of voters believe law and order should be the main election issue.

A statement issued after the meeting said the Chief Constables had agreed on security measures.

Mr. Philip Knights, Chief Constable of the West Midlands and President of the Association of Chief Police Officers of England, Wales and Northern Ireland, said they had examined "all aspects of the security cover."

Mr. James Jardine, Federation chairman, said he was "delighted" that so many voters had "got their priorities right."

Union strife warning

BY IVOR OWEN

CONSERVATIVE policies will lead to more strikes and rising inflation, Mr. Peter Shore, Environment Secretary, claimed in London last night.

"If the attempt were made to operate a pay policy of this kind, we could expect the public sector strikes we have been experiencing to become a regular annual event."

West faces choice of elections

By Stewart Dalby in Belfast

MR. HARRY WEST, leader of Ulster's Official Unionist Party, is to announce today whether he will contest Fermanagh, South Tyrone, the Westminster seat he held briefly between the two 1974 elections.

At present, the seat is held by Mr. Frank Maguire, who describes himself as an Independent Republican. The constituency is arguably one of two natural Catholic majorities in the province.

Unless the Catholic vote splits as it did in the first 1974 election, Mr. Maguire has much chance of winning it.

The unknown factor in the coming Fermanagh election is whether Mr. Austin Currie, chief whip of the Social Democratic Labour Party, plans to stand.

'Euro-sabotage' claim

BY IVOR OWEN

DISENCHANTMENT in Britain over membership of the EEC was caused by "sabotage" by leading Cabinet anti-market forces, Mr. Peter Walker, Minister for the Environment, said today.

most difficult areas of negotiation. Mr. Silkin, an avowed and enthusiastic anti-European, was given the job.

The SDLP is the main voice of Catholic moderation in Northern Ireland. In Fermanagh, however, it tends to trail behind individualists like Mr. Maguire, a former Gaelic football hero. Mr. Currie has not yet said whether he will stand.

The betting is that Mr. West will not contest Fermanagh, because he is also planning to run in the European direct elections. His party does not allow dual candidacies, so he will have to decide which race he wants to run.

He is known to be extremely keen to run for Europe. Mr. West, a farmer, feels that he can be usefully employed within European organisations in trying to gain a better deal for Northern Ireland's farmers, who suffer badly from the highly overvalued British green pound.

Moreover, he has a good chance of winning a European seat, while his chances in Fermanagh are minimal unless there is a Catholic split.

He called for an all-out effort during the Tory campaign to revive the hope and vision reflected in the 1975 referendum.

Mr. Walker levelled his "sabotage" charge at Mr. John Silkin, Agriculture Minister, Mr. Anthony Wedgwood Benn, Energy Secretary, and Mr. Peter Shore, Environment Secretary.

It had been well known that the Common Agricultural Policy would be one of the

Young Liberals ready to fight

YOUNG LIBERALS are prepared to break the law if necessary to achieve their goals.

The manifesto—which seems in places to contradict official party policy—also criticises Liberal attitudes on immigration.

maintain and improve their living standards.

They are particularly opposed to the 1971 Immigration Act which brought a specifically racial tone to the British immigration laws. The Act distinguishes between white and non-white Britons, based on partiality, producing a situation where British citizens with a right of residence are excluded on the basis of colour.

It also opposed incomes policies which aim to restrict pay rises of the lower paid, so that they cannot

Mr. David Alton, the new Liberal MP for Edge Hill, yesterday gave his support to the former leader of his constituency, Mr. Charles Vaggner.

Weighell attacks Tories' past railways policy

BY OUR LABOUR EDITOR

A BITTER ATTACK on past Conservative policy towards railways and public enterprise has been made by Mr. Sid Weighell, general secretary of the National Union of Railwaymen.

He accuses the Conservatives of being allies of the road lobby to create a bonanza for private enterprise at the expense of the public sector and the railways.

Mr. Weighell's attack comes in an editorial in his union's weekly paper, Transport Review. It is designed to encourage the union's 180,000 members and their families to vote Labour on May 3.

The Conservatives recruited Beeching to cut the network while a "major shift from road to rail was engineered," he claims.

"Nothing like so blatant an exercise of vested interests working for private gains has occurred in any European country, or even in the U.S."

A return to a Tory Government would be "disastrous" for the industry, Mr. Weighell writes. He also reminds members of the railwaymen's snub to the Conservatives' lack of a "cooling-off period" prescribed by that Act ended with a big vote in favour of strike action.

Mr. Weighell's attack—and his failure to mention the sometimes violent criticism he has made of Labour's lack of financial support for rail—comes as no surprise from a union that has always been staunchly loyal to Labour.

Times electricians sign new agreement today

BY ALAN PIKE, LABOUR CORRESPONDENT

TIMES NEWSPAPERS electricians sign a new agreement today, taking the company one stage closer to a resumption of publication on April 17.

Negotiations with the Electrical and Plumbers Trades Union and the Plumbers' Union in chapel (office section), on revised terms and conditions of employment for the company's 92 electricians were concluded yesterday.

An agreement covering the electricians was approved by the EPTU executive earlier this year but rejected by the men. This resulted in an internal union wrangle which last month led to the suspension of the union's 1,200-strong London Press branch by the executive.

Pickets' plea for court hearing out of town fails

MAGISTRATES in Nottingham yesterday turned down a request by a defence solicitor for cases involving people arrested at a picket outside the Nottingham Evening Post to be heard out of town.

Mr. John Hodgson, representing nine defendants, said that the picketing had been debated by a Nottinghamshire County Council meeting. During the debate, "the clerk to the county council was obliged to remind the members of the sub-judice rules."

Times electricians sign new agreement today

Times Newspapers' management and unions are expected to decide today whether to call in the Advisory, Conciliation and Arbitration Service to assist with outstanding negotiations. Under a formula agreed by both sides with Mr. Albert Booth, Employment Secretary, it was decided that issues not resolved by April 7 should go to ACAS for conciliation. Officials of the service are standing by to assist if needed.

The biggest problems are being experienced in negotiations with the 540-strong Sunday Times machine-chapel of the National Society of Operative Printers, Graphical and Media Personnel. Talks with chapel officials have failed to make progress and national officers of the union are expected to meet management today in an effort to resolve matters.

A full report of the meeting and pictures of the picketing had appeared in the Post. Two defendants could be identified from these photographs.

Charges against a total of 10 defendants include using threatening behaviour and obstruction of the highway. Mr. Ron Knowles, editor of the National Union of Journalists' newspaper The Journalist, is among the accused, who were all granted bail until the cases were heard in May and June.

Metro men reject £114 offer

BY OUR NEWCASTLE CORRESPONDENT

NORTH EAST officials of the National Union of Railwaymen have turned down a pay offer of £114 a week for its 150 members to drive trans on the £160m Tyne-side Metro rapid transit system.

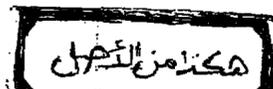
The dispute poses a serious threat to the planned introduction of the super-trans in December, and is the latest in a series of labour problems which have plagued the Metro over the past two years. At one time the problems led to the Government threatening to with-

draw financial aid. The NUR's national executive meets next week to discuss the dispute, but the union has already said it will not agree to recruitment starting for Metro jobs, until the pay issue is resolved.

Mr. Alec McFadden, the union's regional organiser, said yesterday that another 10 per cent bonus for working unsocial hours at weekends was wanted. "Under the Continental shift system, our members will be required to work three Satur-

days out of four and about every other Sunday. If that's not unsocial, I don't know what is and we aren't paying for it," he said.

The £114 offer by the Tyne-side Passenger Transport Executive is £6 a week more than that on the negotiating table a week ago, and the executive says the increase takes weekend working into account. Both sides are due to meet again later this month to try to break the deadlock.



Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

PROCESSES

Wire rod quality greatly improved

CONTINUOUS, controlled water cooling of hot-rolled wire rod to produce a finished article of uniformly high quality has been achieved by SKF Steel of Hofors in Sweden.

EDC, the acronym for Easy Drawing Continuously, is the name of the process which results in a rod with little scale and good drawing characteristics. SKF has found that a high carbon rod subjected to the EDC treatment can be drawn to a 90 per cent reduction without intermediate annealing, which means a considerable reduction in processing costs.

Initially, in EDC, the rod is sprayed with water as it comes from the last production stand at around 900 degrees C. At this point it has an austenitic structure.

The spray can be controlled to reduce the temperature to 800 degrees depending on the grade of metal and the characteristics required.

From this point, the continuous rod is cooled down on a conveyor running in a water bath so that a film of steam immediately forms around the rod, insulating it and reducing the rate of cooling so as to produce a fine lamellar pearlitic structure.

Pneumatic vibrators

AN INDEPENDENT source of pneumatic linear piston vibrators, of British design and manufacture, is offered in a new range of 11 models from Pulse-power Process Equipment, 10 Hillington, Ritracombe, Devon EX24 8LU (0271 63229).

Forces and displacements over the range are designed to meet the requirements of the majority of process equipment makers and their customers.

The vibrators are of the air cushion type, with the advantage that the frequency and amplitude can be varied independently of each other.

TEXTILES

Cloth cleanly slit

WITH MODERN high-speed looms it is common to weave a mock selvage and then, if the material is thermoplastic, this is melted away by a heated element on each side of the machine.

Electrically-heated elements mounted on the loom offer some hazard to the weavers and there is comparatively high consumption of power to keep these elements at red heat.

New methods cutting and sealing fabrics have been developed in France. The device doing the work is called the Comprix H.S. 30 and instead of heat this unit operates with ultrasonics.

Comprix is compact and mounted above the thermo-

WELDING

Mill repair plant starts to roll

AMID THE encircling gloom of the steel industry, a bright spot is the Sarclad operation, backed by world welding technology leader ESAB and the British Steel Corporation, which has announced a major export order for the Sarclad roll resurfacing package.

In brief, Sarclad puts new thick surfaces on the big steel rolls needed in rolling mills at a mere fraction of the roll replacement cost. This precisely controlled welding process can also be used in certain circumstances to effect extensive repairs on rolls for a few thousand pounds that otherwise would have to be scrapped at a cost between five and ten times that of the repair work.

Sarclad technology has been sold by BSC and ESAB to Ensidesa, the Spanish national steel company.

Specifically it is for Asturias de Bazarques, Siderurgicos covering the supply of two Sarclad roll surface welding plants of five and 40 tonnes capacity respectively and for a specialised heat-treatment furnace.

Apart from this, Sarclad has a three-year contract to supply the requisite welding consumables and provide the necessary technical back-up programme.

INSTRUMENTS

Tight control of processes

FOLLOWING a four-year development programme and an expenditure of about £2m, Kent Instruments, a Brown Boveri company, is to launch internationally a comprehensive range of process control equipment, P400Q, able to tackle everything from a single control loop to a major plant system with computer control and management information reporting.

The company is expecting to receive £1.5m worth of orders in the next few weeks from the metals, chemicals, power, and fuel industries.

Cornerstone of the design is single loop integrity — from 1-1,000 loops — ensuring a high level of plant security since failure of one loop will not affect others, a problem where common control is employed as in some existing systems.

Both analogue and digital techniques are used in the various elements — they can meet a present need but can be expanded simply by adding hardware.

Whether this discrete or split architecture is used, the operator controls and indications are available on the DIN (144 x 72 mm) or IEC (175 x 75 mm) front panels of the controllers.

Vertical column bar-graph displays are used for the set point and measured variable, with a moving coil meter for the controller output.

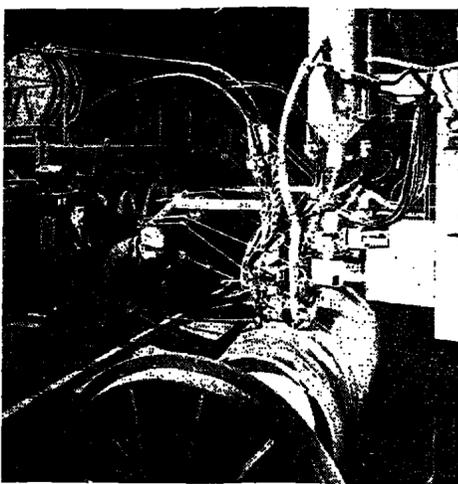
Set point is adjusted by thumb-wheel, and on manual setting the controller output is inched up or down at fast or slow rates, by buttons. Variants of the display can be supplied to meet most needs.

If required, all the variables and settings of all the controllers can be mustered on the face of a colour CRT monitor backed by processor and disc store.

On this centralised display the operator is constantly presented with a status display of up to 30 groups of plant variables, and if any group is in alarm its alpha-numeric is flashed on the screen.

From the keyboard the operator selects the group of interest and then has the choice of bar-graph display of 27 plant items in that group, an annotated mimic diagram, trend display, or detail display of a single plant item.

A second keyboard associated with the display, for use only by the control engineer, allows changes to the display formats to be made on-line, including the construction of mimic diagrams.



High performance surfacing metal being welded to a steel mill roll on Sarclad equipment similar to that which will be set up in Spain.

being formed by Ensidesa and Soldastur and it will put up the Sarclad equipment in a new factory to be built at Mieres in northern Spain, serving steelworks at Aviles and Verina, but also other steel plants in Spain and in Portugal.

ESAB will build the welding plant while British suppliers will make the heat-treatment furnace and the specialised heating equipment.

Further details from Sarclad International at POB 99, Brightside Lane, Sheffield S9 2RX. 0742 448071.

DATA PROCESSING

Improving performance

TWO high-performance options for the Eclipse S/250 processing system announced by Data General Corporation involve models 8660 and 8661 Satellite Processors (SPs). These are peripheral processing units available in general-purpose and array processing versions. Both include two circuit boards of independent processor logic, memory and I/O buses and implement the standard Eclipse instruction set with powerful extensions.

Each model, running standard Data General software, operates as a front-end or independent processor to offload significantly the host S/250 Central Processing Unit (CPU).

Model 8660 consists of 64K-

bytes of parity MOS with memory allocation and protection (MAP) capability, micro-programmed with a 200-nanosecond cycle time, an independent eclipse S/250-compatible I/O bus, a software controllable console and an interface for high-speed bidirectional S/250-SP data transfer.

Model 8661, with its fast hardware array processing extension, consists of 56K-bytes of parity MOS memory and MAP plus 8K-bytes of high-speed, bipolar array processing memory, in addition to processor logic, I/O bus and S/250 interface.

Satellite processors are on the S/250 high-speed data channel and act as an input/output device.

Station able to converse

AES WORDPEX has added to its range of word processing machines the most compact Wordplex system so far built—Wordplex 2. Size reduction has been achieved by replacing the original free-standing storage unit and separate display with a combined screen and storage unit.

Only 5cm (2 inches) wider than the earlier models and using an identical display, the machine's compactness has been made possible by further design advances and the use of miniature discs for data storage.

The discs are housed to the right of the screen and account for the slight increase in width.

The new unit can be integrated into a multistation system without changes in hardware or operating methods. With the combined screen/disc unit goes a separate keyboard, which may be independently positioned for operator comfort and a high speed printer for the production of hard copy.

The screen can accommodate 128 lines of text with up to 254 characters on each line. The viewing window will display 22 lines of 80 characters each at any one time, the desired area of the total text to be viewed being controlled from the keyboard. The bottom two lines display such information as tab and margin settings as well as line and page numbers.

The discs will hold up to 70 pages of text and will allow the merging of files when necessary.

Being compatible with the multistation equipment, the new unit affords a low cost starting point for organisations with an eventual multistation need. It can communicate with the multistations, which itself can "talk" to other multistation complexes, and can also communicate with mainframe computers via the telephone network.

AES Wordplex is at 27 Fitzroy Street, London, W1P 5AF. 01-637 5065.

Business link will give more power

DEC and Hoskyns have reached an agreement under which DEC will market Hoskyns modular applications systems for mini-computers (MAS-M) on its DEC data system-500-line of commercial computing equipment.

MAS-M has been designed by Hoskyns specifically for this series and is a culmination of 12 years' experience of designing and implementing business application packages. The programs have 10 modular elements which can be installed separately, enabling users to phase computerisation of their business or to grow and expand

at a pace exactly suited to their needs. Hoskyns pioneered turn-key work on small ICL machines and on segmented programming techniques.

Application areas are: accounts receivable, order processing, general ledger, inventory control, accounts payable, invoicing, inventory accounting, bill of materials, material requirements planning, and purchasing.

This unprecedented move by DEC is a result of growing awareness that the principal computer investment made by commercial users is increasingly

quest

Automated Drafting Systems for Electronic Production

Quest House, Prince Road, Farnham, Dorset, SP14 5HG. Tel: 02423 881010 Telex: 41256

ELECTRONICS

Autotest bureau

MANY MODERN electronic circuits, particularly if they are digital (and the majority now are), have reached a degree of complexity such that they can only be tested economically by using expensive equipment.

Clearly, companies that have top-class design ability (it might only be one or two men) and perhaps quite adequate facilities for production, might not be able to afford the necessary test equipment.

A new company intending to attack this market has now been set up by two ex-directors of Membrain. Known as Testech, it is located on Duck Island Lane, Ringwood, Hants, B24 3AA (0254 77982) and will undertake the preparation and checking of test programs on a sub-contract basis, followed if required by testing, fault identification and repair of batches of sub-assemblies using software controlled test equipment.

Thus, Testech can provide a service to those already using automatic testing, or can provide all that is required to a company that does not have the volume of work to justify the acquisition of test equipment and personnel.

in applications software. DEC has been cutting equipment costs and sees provision of tested application systems as the answer to the needs of many users, including some running their own large machines.

One of the most attractive selling points in this move is that a user needs no computer specialists: Hoskyns with 500 personnel in the UK provides this support and, outside Britain, is backed by the 1,500 experts within its Martin Marietta parent.

Hoskyns Group, 145 St. John Street, London EC1V 4JQ.

SYSTEM 80

Sipton System 80 makes your telephone a world-wide control centre — Automatically

System 80 is the multi-function remote control and monitoring facility that operates world-wide through your existing telephone installations.

Its microprocessor circuitry carries out a wide range of functions completely automatically, from activating central heating systems to retrieving computer-stored data. It can switch systems and equipment on or off, virtually anywhere in the world, and has a built-in, 24-hour answering facility.

Relieving overworked switchboard and telex operators, System 80 enables your instructions to be instantly carried out and your information needs to be quickly satisfied.

System 80, therefore, keeps you in touch world-wide, regardless of time zones.

For further information, send us this advertisement attached to your letterhead or complaint slip.

Sipton Communications Limited, Spencer Court, 7 Chalcot Road, LONDON NW11. Tel: 01-586 0711. Telex: 24998.

Sipton Communications Ltd. the Business-end of Communications



electrical wire and cable?

• NO MINIMUM ORDER • NO MINIMUM LENGTH

ANIXE

Thousands of types and sizes in stock for immediate delivery

LONDON 01-561 8118 • ABERDEEN (0224) 724333 • GLASGOW (041) 332 7201/2 • WARRINGTON (0925) 810121

TRANSFER CALL CHARGES GLADLY ACCEPTED

24HR. EMERGENCY NUMBER 01-637 3567 EX-409

Pure water check

ACCURATE and reliable monitoring of the effectiveness of water treatment can be carried out with a high resolution instrument, intended to record purity of water products from distillation, deionisation, reverse osmosis and other processes.

Water purity cannot be measured directly by detection of the presence of totally-dissolved solids and gases. The Pureameter, calibrated in micro-Siemens, gauges the water's specific electrolytic conductivity, which depends on the amount of dissolved inorganic solids present, and provides a direct and instant reading of these solids as well as a quick indication of (as a guide) organic and bacterial contamination.

Available with either visual balance meter or seven-segment LED display together with on/off switch and warning lights and controls on an easily-read front panel, the unit runs on 240V single phase 50Hz, with a consumption of 5 watts.

A sensing cell—typically a 1K thermistor cell—is immersed in water (or other fluid,

provided suitable calibration has been specified) contained in a vessel or passing through a pipeline. The internal relay in the unit operates visual signals, remote alarms, lamps, recycle units, automatic valves or similar devices when the quality of the fluid is below that chosen on a set point selector.

Hysteresis is built in to prevent the relay from "hunting" as well as providing positive action at the trip point. Once connected to the cell, the unit continues to monitor the fluid and display quality.

Temperature compensation is either manual by front panel control or automatic, using a special cell. Response time is less than 500 milliseconds.

Mason and Morton, M and M House, Frogmore Road, Hemel Hempstead, Herts, HP3 9RW.

Edward de Bono Lateral Thinking

a special tutorial for DP personnel

23-25 May 1979
Lords Banqueting & Conference Centre
St Johns Wood Road, London NW8 8QN

Fee: £385 Tutorial reference: MEB



'Participants in this special tutorial for data processing personnel have typically spent 5000 or so days acquiring the habits of the more usual, traditional forms of logic; in 3 days this tutorial will provide them with a detailed understanding

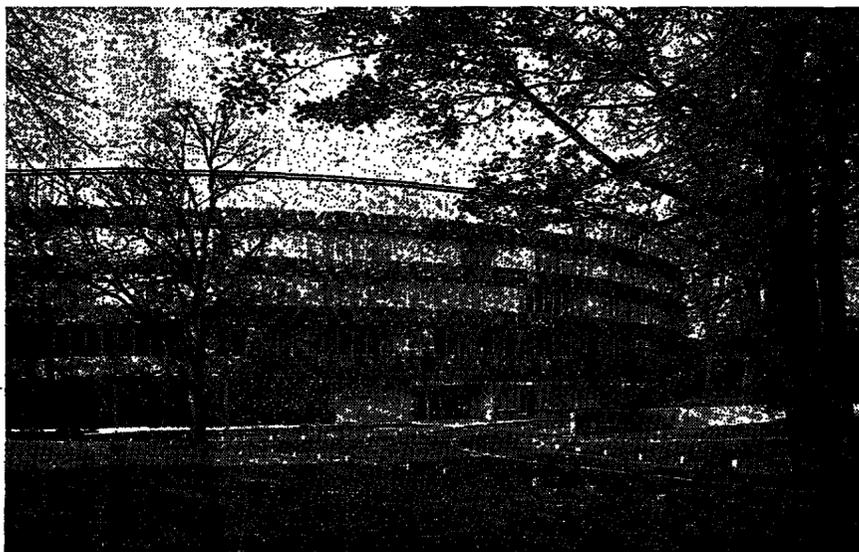
of the creative logic of lateral thinking and with valuable practice in its approach'

Edward de Bono
— the world's leading authority in creative thinking

To reserve your places now:
Telephone 0628 35031 Telex 847319

or write to
The Registrar
Infotech International Limited Nicholson House
Maidenhead Berkshire SL6 1LD

BRUSSELS



Air conditioned offices to let
28,000 sq. metres
Totally or partly

Agent:
Compagnie Immobilière de Belgique Division Jacques de Duve
(Group Société Générale de Belgique)
Avenue Louise 500 B-1050 BRUSSELS
Tel. 02/648 95 10 Telex 21689

THE PROPERTY MARKET BY MICHAEL CASSELL

Dollar Land—ten years on

THE LONG-SUFFERING shareholders of Dollar Land this week find themselves receiving some more bad news from Mr. Hugh Brackett, the ever-optimistic chairman.

Just when it was beginning to look as though the company, after more than 10 years of litigation over the sale of its U.S. properties, could clear the decks for the restoration of its Stock Exchange quote, new "uncertainties" have arisen.

Although Mr. Brackett confirms that the seemingly endless dispute between the company and a group of shareholders has been resolved, he admits that the sorry saga is not yet over and asks shareholders to remain patient a little longer.

The problems of Dollar Land began in 1968 when it sold what constituted all its U.S. property assets, the Parkdale Plaza Shopping Centre in Corpus Christi, Texas, an office building in Orlando, Florida, and the Cross County Shopping Centre in Yonkers, New York.

An inclusive price of \$27.5m was agreed with purchasers Brook Realty but a group of Dollar Land shareholders, led by Mr. Sol G. Atlas, who developed the Cross County Centre and was a major shareholder in and financial supporter of Dollar Land, took out an injunction to stop the sale.

The group claimed that the price was much too low for what were substantially all the group's assets, and succeeded in dismissing the board and appointing new directors. They

also won a temporary injunction to stop the sale being completed. In the following months of confusion, shareholders voted against receiving the accounts found at one stage that they had no properly qualified directors, and saw their company's shares suspended.

Calls for a winding-up order were accompanied by demands for an official investigation into Dollar Land's affairs by the then Department of Trade and Industry. Neither came about, though in 1971 the Ombudsman criticised the department for not appointing inspectors to examine the company's affairs, which had by then even been raised in the House of Commons.

Litigation, if precious little else, progressed at a pace. Soon Dollar Land, Brook Realty and the Atlas faction became embroiled in a legal tangle over whether Brook should be granted specific performance of the contract to buy the three properties in question or whether it should be granted damages or both.

Not until November 1977 was the sale of the properties finally completed, with a provisional loss of just over £1.5m now having been included in the consolidated accounts for the year ended December 1977.

By October of last year, shareholders were also in a position to vote in favour of an agreement to disentangle the company from the row with the Atlas group (Sol Atlas died in 1973 but his estate and sup-

porters carried on). Mr. Brackett had threatened to resign if his plan was not accepted. It involved a £450,000 out-of-court settlement, by way of a 25 per cent share in Dollar's U.S. mortgage loans, on actions which had claimed the best part of £2m.

The settlement, which gave a surplus of £1.68m included in the profit and loss account for 1977, was accepted without the expected show-down between pro and anti board groups. The group emerged with net assets of \$4p a share and usable tax losses in its Canadian and U.S. operations.

But hopes of a Stock Exchange re-listing were clearly premature. Mr. Brackett this week took comfort from the fact that Dollar Land shares were being informally traded at between 46p and 52p per share (around 20p was the going rate for much of 1978) but said that any application for a fresh quotation was still out of the question.

For if the Atlas interests and those of Dollar Land are identical for the first time in a decade, neither group is yet free of disputes and litigation. Part of the deal with Brook Realty allowed for post-completion adjustments to the purchase terms, which Dollar Land believes could be worth nearly £500,000 more than the original figure but which Brook Realty (now Brook Shopping Centres) is disputing.

This is likely to remain unsettled, however, until the result is known of Brook's claim for damages for the increase in the

cost of redeveloping the Cross County Centre as a result of the completion date stipulated in the original sale contract and the actual closing dates. A decision, Mr. Brackett says, should be reached before the end of this year and advisers say the chances of success for Brook are slim.

A further complication is an action, started by Mr. Atlas before his death, claiming a refund of real estate taxes in New York on the Cross County development. If successful, lawyers would be due for 35 per cent of any amount recovered and the action would also affect the purchase money mortgage element of the Dollar Land sale to Brook (estimated at just over £2m).

Two other minor items of litigation unconnected with the property deals have also to be settled, although both should be out of the way within a few months. Mr. Brackett says that when all these matters have been concluded, the accounts of the company should be straightforward and the voluminous notes which have been appearing year by year should be reduced to the normal proportions of notes to the accounts of a properly run company.

For the time being, Dollar Land's consolidated accounts show an accumulated deficit of £1.68m and one remaining income-producing property—the Bristol Aircraft building in Montreal—on which the directors are unable to place a value.

Tarmac drops plans for £2.5m head office

TARMAC HAS decided not to go ahead with plans to build itself a new £2.5m executive headquarters about three miles from its existing group head office in Wolverhampton. The proposal was to develop two acres of a 22-acre site which the group has owned for 20 years at Danescourt, Tettenhall. A planning application was submitted about a year ago.

The land in question is green belt — recently re-defined as green "wedge" — and the application was due for a planning inquiry in a few weeks.

Tarmac was not, apparently, afraid of a planning fight. The company claims pressure on office space throughout its principal operations in the town has eased. Its head office has recently undergone what by all accounts has been a fairly painful slimming process — and so existing accommodation is now available.

It also says the money designated for the Danescourt development — it would have housed strategic management from the group's various operating divisions — would be better invested in the business.

Tarmac, which has not had the easiest of passages recently, with big losses overseas and a fair amount of internal upheaval, has three principal operations centres in Wolverhampton.

Abbey Property tops £300m

THE ABBEY Property Fund has broken the £300m barrier, which it claims makes it more than twice the size of any other similar fund. Since its launch in 1967 the unit offer price has risen by 146 per cent, including reinvested income, and in the four years since the end of the property recession it has increased by over 43 per cent on an offer-to-offer basis.

The fund now stands at £309m and comprises nearly 200 different properties involving about 600 tenants. It encompasses offices, shops, factories, warehouses and agricultural land in the UK and commercial and industrial investment in Europe.

Mr. Derek Flack, Abbey's senior property manager, says the quality of the fund has improved further in the last six

months due to a combination of purchases, sales and successful development lettings.

During the last half-year more than 350,000 sq ft of accommodation has been let. More than 80 per cent of this has involved industrial space on new factory and warehouse estates and, at present, out of an industrial portfolio of about 4m sq ft the fund has no space to let immediately available in the last six months, eight new freehold acquisitions have been made at a cost of about £9m.

The percentage of freeholds held has risen to more than 80 per cent, the remainder being long leaseholds mainly with 100 years or more to go. Emphasising that the rent review frequency is one of the acid tests in judging the quality of a portfolio, Mr. Flack points out that, for the first time, more

than two-thirds of the fund's rental income is subject at least to five-yearly rent reviews. The bulk of the remainder are on a seven-yearly pattern.

Now, 75 per cent of Abbey's tenants are to comprise public companies, government departments, local authorities and other statutory organisations. The fund intends to continue to create a good proportion of new investments via development, particularly as the supply of good quality, completed investments available on the market at prices which allow performance objectives to be met is likely to remain limited.

Abbey says that while it intends to concentrate mainly on office and industrial development projects, it also hopes to become involved in a few carefully selected town centre shopping schemes as well.

Richard Ellis makes French acquisition

RICHARD ELLIS has celebrated its tenth anniversary in Paris by acquiring the largest commercial estate agency in France — GIM (Groupe Conseil en Immobilier D'Entreprise).

The merger will reinforce Ellis's agency department which will be headed by Gerard Aubert, the former GIM president and one of the best known commercial agency men in Paris. The deal means that Ellis holds sole instructions on about 3m sq ft of office property in France.

Still in France, the Paris office of Jones Lang Wootton has sold the office complex at 16-18 Avenue George V to Allianz, the German insurance group, for £7.4m. J.L.W. was acting on behalf of Revillon-Freres and the sale figure was close to the asking price. The building has a total

floor area of around 70,000 sq ft and also has frontages to the Rue Maitland and Rue de La Trinité. Most of the space will, after refurbishing, be ready for marketing in 1980 and is expected to command top rents in view of its prime position.

Industrial space available in East Anglia is falling and rentals are increasing, according to agents Drivers Jonas which this week has opened a regional office in Norwich.

The property market in Scotland is "extremely buoyant," with the retail sector doing particularly well, according to agents Richard Ellis.

Increased consumer expenditure has led, they say, to an unprecedented demand for retail outlets by national and local

shop operators. In fact, 1978 saw the culmination of a six-year cycle of rental growth which has created new demand and supply patterns in all the high streets of Scotland.

Ellis says that locations such as Argyle Street, Glasgow, and Princes Street, Edinburgh, have recorded very high rental growth. Rents of up to £50 per sq ft have been achieved in Princes Street, while in Sauchiehall Street, Glasgow, they have reached about £22.50 per sq ft.

The charity clients of agents Leavers who last week paid £2m for a Victorian office, shop and flat development, have now paid £1.25m for 55,000 sq ft of industrial space in Honeypot Lane, London, NW9. The building has a rental income of £120,000 a year.

INDUSTRIAL AND BUSINESS PROPERTY

CHARLES STREET BERKELEY SQUARE

Probably the finest office building available in Mayfair

8,806 sq.ft.

with Boardroom, Directors Suites, Exclusive with every amenity

Baker Lorenz + Company

13, 14 HANOVER STREET, LONDON W1R 9HG
01-499 8163

Drivers Jonas in East Anglia

Drivers Jonas are extending the services they provide in the region for Industrial Companies, Developers and Investors and have opened a regional office at:- 11 St. Georges Street NORWICH

Telephone:- Norwich (0603) 60506

DRIVERS JONAS
11 ST. GEORGES STREET, NORWICH, NORFOLK
TELEPHONE: NORWICH (0603) 60506

18 PALL MALL, LONDON SW1Y 5NF
TELEPHONE: 01-930 9731

TO LET

57,000 SQ. FT.

HIGH QUALITY OFFICE DEVELOPMENT

READING TOWN CENTRE

Construction to commence shortly. Car parking and all Modern Amenities

As a whole or in 2 Buildings

PROPERTY CONSULTANTS **DONALDSONS** CHARTERED SURVEYORS

70 Jermyn Street, London, SW1Y 6PE. 01 930 1090

Tending Services

Turn towards Tending — combining Clacton-on-Sea, Harwich and the North-East Essex Coastal Area — it could be your best decision.

If you are considering a new location for your business, you should find out what the Tending area can offer in the way of services and amenities:

1. Established industrial estates with low rents and rates.
2. Stable and adaptable workforce.
3. Excellent communications by road and British Rail Speedlink to London and the rest of Britain. The port of Harwich is also the gateway to Northern Europe and Scandinavia with its freight and passenger services.
4. Good housing and recreational facilities for you and your staff in pleasant town, seaside and rural surroundings.

Many organizations are already benefiting from their move to Tending — you can too.

For further information call Reg Meyers, Industrial Promotions Officer, Tending District Council, Tower Hill, Clacton-on-Sea, Essex, CO15 1SE. Phone: Clacton-on-Sea 25501 Ext. 121.

Tending
combining Clacton-on-Sea, Harwich and the North-East Essex Coastal Area for better business routes

Factories and warehouses
1,000 to 40,000 sq. ft.

Sites up to 50 acres
Skilled labour available.

Housing for new and existing staff.

Telford

Ring Bob Tilmouth
0952 613131

Chestertons City Offices

9 Wood Street, Cheapside, London, EC2V 7AR 01-606 3055

Immediate occupation.
Newly decorated modern offices
To Let, E.C.2.
6,950 Sq. Ft. approximately.

Central Heating, lifts, light fittings, carpets, 24 hour access.

Chestertons, Chartered Surveyors. For all your property needs

WALTER & RANDALL

ENGLAND'S GREEN LAND FOR YOUR COMPANY IN KENT, THE GARDEN OF ENGLAND

8 Acres of INDUSTRIAL LAND
Immediately Available

PERSONAL CONTACT

Tony Ric (Agent)
Walter & Randall
9-13 New Road,
Chatham, Kent.
Tel. Medway
(0634) 48333.

Mike Parkes
Development Officer,
Med. Bor. Council,
Council Offices,
Frindsbury,
Nr. Rochester, Kent.
Tel. No. Medway
(0634) 78831.

EDMONTON N18
Single Storey
FACTORY
with Offices
11,255 sq. ft.
FREEHOLD

EDWARDS SYMONS & PARTNERS
Tel. 01-834 8454
56, 62 Watton Road, London SW1V 1DH

Geering & Colyer

By Order of Ashford Borough Council
ABOUT 44 ACRES
RESIDENTIAL BUILDING LAND
AT ASHFORD, KENT

A level site with main services suitable for low cost housing OFFERS INVITED IN THE REGION OF £20,000 FOR THE FREEHOLD

Apply: Bank Street, Ashford (Tel: (0233) 24661)

100 Acres in the South East

*** Industrial/Warehouse**
*** Southwark, London SE1**
*** 4,000-60,000 SQ. FEET**
TO LET on economical terms.

VIEWING THROUGH SOLE JOINT AGENTS

G.I. Hearn & Partners **Cluttons**

Delta House, 44-48 Borough High Street, London Bridge, London SE1 1DP. 01-407 5321

74, Grosvenor Street, London W1X 6DD 01-491 2768

هنا من الخمول

Maidstone

Toute de suite
Miller House -
20,000 sq. ft.
TO LET
Suites available

- * Air conditioned
- * Carpeted
- * Fluorescent lighting
- * On site car parking
- * 3 x 10 person high speed lifts
- * Double glazed bronze tinted windows

For further details apply

Healey & Baker
WALTER S. FORKNALL
Edward Erdman
01-629 9292
Maidstone (0622) 57225/9
01-629 8191

K for Industry

AYLESFORD, Nr. Maidstone

Warehouse
11,450 sq. ft.
LEASE FOR SALE

BEDFORD
8,550 sq. ft. Warehouse/Factory Unit
Last Remaining New Unit
TO LET

EAST CROSS ROUTE, E.3

2 Storey Factory
15,890 sq. ft. plus yard space
Moderate Rental

GLASGOW (Birkenshaw)

Modern Distribution Warehouse/Offices/
Showroom. All facilities.
25,850 sq. ft.
TO LET

LEICESTER

New Warehouse & Offices
24,620 sq. ft.
FOR SALE/TO LET

LONDON, N.W.2

Commercial Complex
32,000 sq. ft.
LEASE FOR SALE - Low Rental

SWINDON

New Warehouse
23,400 sq. ft.
IMMEDIATE OCCUPATION - TO LET

TOTTENHAM, N.17

Single Storey Warehouse
34,000 sq. ft.
TO LET - £37,500 p.a. exclusive

King & Co

Chartered Surveyors
1 Snow Hill, London, EC1
01-236 3000 Telex 885485
Manchester, Leeds and Brussels



AUCTION 3 pm WEDNESDAY, 16th MAY 1979

(unless previously sold)

FREEHOLD SHOP & OFFICE INVESTMENTS

BAIN DAWES HOUSE Harlands Road

HAYWARDS HEATH

Modern offices arranged on ground and four upper floors and comprising about 51,880 sq. ft. situated close to the railway station in the town's principal office area. Entirely let to Bain Dawes Ltd, a subsidiary of Inchcape & Co. Ltd, the public company on lease expiring in 1982 at

per £177,500 annum
rising to £180,000 p.a. in 1981 with

VALUABLE RENT REVIEW IN 1985

ROMSEY Bell House
30/32 Bell Street

Modern and refurbished offices in excellent town centre position comprising about 11,950 sq. ft. with 34 on-site car parking spaces. Entirely let to The Merchant Fairs Partnership at

per £22,750 annum
VALUABLE RENT REVIEW 1983

Joint Auctioneers for Romsey

HALL PAIN & FOSTER
39 London Road, Southampton SO12AD
Telephone: 0703 28915

WEST MALLING

79/81 High Street

Modern open-plan offices in prosperous residential area with 52 on-site car parking spaces with adjoining public car parking for 100 cars. Let to CARTER LTD, the public company and LINK INSURANCE SERVICES LTD, at

per £38,130 annum
VALUABLE RENT REVIEWS 1980 & 1982

Auction to be held at
THE LONDON AUCTION MART
25 Little Wintley Lane, London EC4

Healey & Baker

29 St. George Street, Hanover Square,
London W1A 3BG 01-629 9292
City of London 118 Old Broad Street London EC2N 1AR
Amsterdam Brussels Glasgow Jersey New York Paris

CHELSEA SW3 REFURBISHED OFFICE BUILDING

6348 SQ. FT.

FOR SALE

OR

TO LET

SOLE AGENTS



Druce House, 23 Manchester Square,
London W1A 2DD. Telephone 01-486 1252

CITY BORDER EC2.

Refurbished Office Building

11,620 sq. ft. approx.

Rent £70,000 p.a.x.

33 King Street
London EC2V 8EE
Tel: 01-606 4060
Telex: 885557



Chartered Surveyors

FACTORY AND WAREHOUSE PROPERTY

MAIDSTONE
6,600-57,200 sqft

LONDON SE1
5,480-45,000 sqft

LONDON SE7
6,250-56,000 sqft

KING'S LYNN
21,000 sqft on 2.3 acres

Peter Taylor

56 South Molton Street, London W1Y 1HF
01-629 9869

FOR SALE

Milford Haven
South Wales
Freehold Property
Suitable for Builders,
Mechanical or Plumbing Yard
Apply:
Weldright Engineering Ltd.,
Station Road, Amthill, Beds.
Tel: (0535) 403767.

Sole Agents



01-930 1070
Estate House, 130 Jermyn Street,
London SW1Y 4LL England.
Telex: 267761

Southwark St. London SE1

Entire office building.
10 car parking spaces.
Newly decorated.
Fully carpeted.

VIEWING THROUGH SOLE JOINT AGENTS

G.L. Hearn & Partners

Delta House,
44-48 Borough High Street
London SE1 1XP.
Telephone: 01-407 5321

Cluttons

74, Grosvenor Street, London W1X 9DD
Telephone: 01-491 2768

9,400
SQ. FEET

EAST KENT

LEASEHOLD FACTORY

PREMISES

18,640 sq. ft.

- * Single Storey Modern Factory
- * Two Storey Offices
- * Ample Car Parking
- * Oil-Fired Heating
- * 3 Phase Electricity
- * Easy Access to Channel Ports

Lease for Immediate Assignment
on Extremely Attractive Terms

Details from:
17 New Dover Road, Canterbury. Tel: 0227 51155

74 Grosvenor Street
London W1X 9DD
01-491 2768

Cluttons

TRINITY SQUARE, EC3

6,755 SQ. FT.

Outstanding Air-conditioned Offices

TO LET

FULLY FITTED READY FOR OCCUPATION



23 College Hill,
London EC4R 2RT
Telephone: 01-236 3611



10 Northumberland Alley
Fenchurch Street
London EC3N 2EP
Telephone 01-486 4421

On the instructions of Barclays Bank Limited

King Street, Hammersmith, W6
Freehold for Sale

Retail/Banking Premises together with income from two shops

Richman Conway & Co
Chartered Surveyors

169 Piccadilly, London W1V 9DD Tel: 01-499 9646

SALE OF WOODLAND AND BARE LAND - Speyside

950 hectares
(2350 acres) Under
Basis II Dedication
offered for
sale in lots.
Situated
between Aviemore
and Grantown-on-Spey.



For further particulars apply to
SCOTTISH WOODLAND OWNERS
ASSOCIATION (COMMERCIAL) LTD.
6 Chester Street, Edinburgh EH3 7RD.

RUNCORN NEW TOWN CHESHIRE

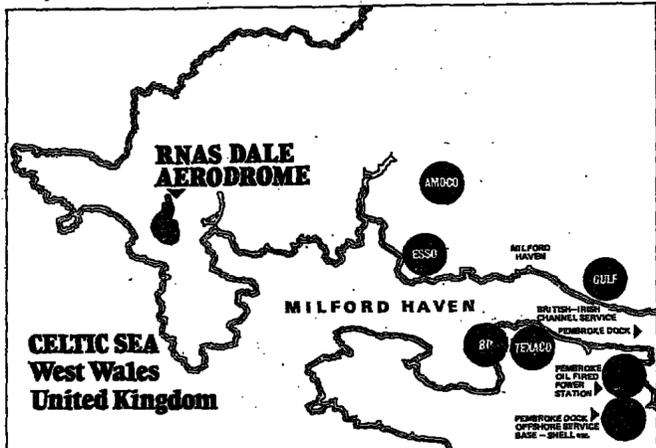
FACTORIES TO LET
3,200 sq. ft. upwards
Rents from £1.30 p.s.f.

Ring IAN McLAREN
RUNCORN 73477

DALE AERODROME

on MILFORD HAVEN, PEMBROKESHIRE
(Ex-Royal Naval Air Station HMS Harrier)

An ideal base to service the Celtic Sea and Milford Haven Developments
A unique opportunity presents itself for the purchaser to benefit from the current and imminent Celtic Sea and Milford Haven Developments



This freehold site of 108 acres, is tailor-made and on the doorstep to exploit the potential of the nearby Celtic Sea current, oil/gas drilling exploration as an airborne base or oil refinery.
Alternative development is as a caravan holiday chalet centre, being ideally situated within one mile of the beautiful golden Marazion sands and Pembrokeshire National Park.
The aerodrome is strategically situated on the western extreme edge of the Dale peninsula in a geographically commanding position overlooking the deep water channel of UK's premier oil port Milford Haven, and the approaches to Bristol and St. George's channels. Already established are Esso, Texaco, Amoco and Gulf oil refineries, B.P. Oil tanker jetty and tank farm, with 64-mile pipeline feeding direct to the Llandarey Swansea B.P. Oil refinery, Shell, etc., offshore base, Pembroke oil-fired electricity supply power station.
The present capital expansion programme of Texaco/Gulf Cracker unit is £350,000,000 and Amoco £100,000,000.

Marathan are already supplying gas in commercial quantity from their Celtic Sea Rig to Cork.
The British-Irish sea passenger cargo service will commence from Pembroke dock, Milford Haven, as from April 1979. Dale Aerodrome could be utilised as local air transport link for the changeover of crews of super oil tankers using Milford Haven as their home port, and accommodation for local refineries extensions labour force.
Existing facilities include five Mainhill aircraft hangers (each 6,750 sq. ft.) ideal for use by helicopters, with adjacent fifteen helicopter pads supporting the convenient aircraft services. The aerodrome has its own sewerage system, water mains, telephone communications and electricity supplies.
In addition to this valuable air base a further area of adjoining land comprising some 120 acres is available if required, giving a total site area of 228 acres. This additional land contains three runways of lengths in excess of 1,300, 1,250 and 1,125 yards respectively.

Brochures and inspection to view invited through our UK Agent,

J. R. Eve & Son (Chartered Surveyors),
1 Deans Yard, Westminster, London SW1P 3NR.
Attention J. E. Montague, FRICS.

Purchase to be completed through our Jersey registered company:
Celtic Sea Investments Jersey Limited.

All interested parties please write in complete confidence with offers to purchase to the sole owners:
H. Millard-Beer (Celtic Sea Oil & Gas Company),
La Maison du Catelet, St. John, Jersey, C.I.

S.E. LONDON
FOR SALE
LONG-ESTABLISHED
MOTOR CAR BUSINESS
With Franchise
● SUBSTANTIAL TURNOVER
Freehold Property
20,000 sq. ft. on 8.5 acres
Henry Butcher & Co
incorporating
Leopold Farmer & Sons
59/67, High Holborn, London WC1V 6EG.
Tel: 01-405 8411

BOLTON
Greater Manchester
Excellent central
Industrial Development Site
6.26 acres
For Sale

Singleton G.F. Singleton & Co
Lloyds Bank Buildings
53 King Street
Manchester M2 4LR
061-832 8271

Hull - Industrial Development Land

Wide choice of fully serviced industrial sites, 1/2 acre to 20 acres available.
Contact: Ian R. Holden, B.Sc. (Econ) M.B.I.M.
Director of Industrial Development
Kingston upon Hull City Council
77 Lowgate, Hull. Tel: (0482) 222626.



PROPERTY APPOINTMENTS

CHARTERED SURVEYOR

City firm established and well known in their field are intending to strengthen and widen the scope of their office agency department.
The post will initially carry associate partnership status and will involve the day to day management of the department, the promotion of sales, letting and acquisition of office accommodation primarily in central London and home counties, the promotion of development in conjunction with established development and investment departments, and advice to other partners and established clientele on value and trends.
Applications are invited from Chartered Surveyors and others experienced in the field. It is expected that the successful candidate will be 25 to 35 years of age and have had 5 to 10 years experience in West End and City. In addition it is thought that he will have a high degree of self motivation, flair and imagination and anxious to progress rapidly. Salary is negotiable and it is anticipated that the successful candidate will already be earning at least £10,000 and looking for improvement. Car will be provided.
Application for this senior and interesting post can be made on a confidential basis to Ian L. Brown of Surveyors Consultancy Services, 109, King-way, London WC2. Telephone 01-405 0732/01 405 8841 or direct to the advertiser under P.O. Box T.5048, Financial Times, 10, Cannon Street, EC4P 4BY.

Chestertons West End Offices

75 Grosvenor Street, London, W1X 0JB
01-499 0404

2,000 - 10,000 Sq. Ft. Offices/Studios
Only £3.75 per Sq. Ft.

Whitfield Street, W1. Close to Tottenham Court Road.
Central Heating - part Air-conditioned - Kitchen facilities - telephones

CLIENTS REQUIREMENTS

1,500 Sq. Ft. in West End for major International Company.
3,000 Sq. Ft. in the West End for American Company.
8,000 Sq. Ft. in Victoria or Knightsbridge.

Chestertons, Chartered Surveyors. For all your property needs

FOR INVESTMENT

INDUSTRIAL LAND IN THE AMERICAN SUNBELT FOR SALE OR LEASE BUILD TO YOUR SPECIFICATION

ATLANTA

Agents and other enquirers invited to contact owners. Subal Corporation and Pleasanton Industrial Park Corporation. C/O Owner's Exclusive Consultant Charles L. Goldenberg, President, Sylvan Lawrence Company, Inc., 100 William Street, New York, NY 10038 Telephone 0101 (212) 944-0044

TAMPA

713 acres, grand utilities installed, excellent position for subdivision, enjoys very low tax rate and is serviced by superhighways. Located 8 miles east of downtown Tampa and 14 from airport.

offers invited Kensington Place, London W8
freehold ground rents FOR SALE
★ Garage housing approximately 36 cars. At the present time let to the N.T.G.B. at £10,000 p.a. Rent reviews - 29/9/80 and 87.
★ Ground rent income of £8,580 p.a. from 87 flats and garages.
Further details from the Estate Manager, THE J. M. HILL GROUP
Heather Park Drive, Wembley, HAD 15X
Tel: 01-903 9511

BUILDING LAND AND SITES
FREEHOLD DEVELOPMENT SITE, CENTRAL BEDFORD is a site approx. 0.15 acres, 150 sq. ft. of land, with planning permission for 100 units. Full details available from the Agent, Barry Brown, Castle Hill, Northampton. Phone: 06054 21571 (ext. 211).

INTERNATIONAL PROPERTY

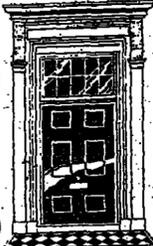
AL KHOBAR SAUDI ARABIA

New Headquarters building of 215,000 sq. ft. TO LET
"One of the finest buildings available in the Middle East."
★ Prestige air-conditioned offices to let.
★ Individual floors of 14,000 sq. ft., or smaller units available.
★ Quality, comfort and maintenance to the highest European standards.
★ Close to the Dhahran airport

White Druce & Brown CHARTERED SURVEYORS
5, ST HELEN'S PLACE, LONDON EC3A 6AU
01-638 5181-4
TELEX 299171

CANADA

200 LUXURY CONDOMINIUM APARTMENTS IN THE CENTRE OF OTTAWA, CAPITAL OF CANADA
For comfortable high-class living
As investment 6% net - net for 5 years
Price from \$40,000 to \$120,000 50% cash
SHOPPING PLAZA
501,161 sq ft - 82 Stores and Offices
Gross income \$1.6m.
Price \$19m - 8.4% net - net on cash investment
Industrial Building
20-year lease-back from 10.4% to 21.2% net return on cash investment of \$924,000
Full details from:
WINZEN, 150 Regent Street, Suite 500
London W1R 5FA - Tel: 01-439 8288 - Telex: 261426
or from:
Winzen Real Estate Ltd., 85 Richmond Street W., Toronto, Ont., Canada - Telex: 065 24301



In CLWYD today 127,000 people went to work as usual.

It's a fact: Clwyd's workforce can justly lay claim to one of the best labour relations records in Britain today.
With this multi-skilled workforce, proximity to major markets and national/international communications networks, this progressive Welsh county, with full Development Area Status, dominates the north-western development scene.
Talk to us about the low-cost sites and factories plus extensive financial aid available to incoming industries - we'll make you a deal you can't refuse.
Contact Wayne S. Morgan, County Industrial Officer, Clwyd County Council, Shire Hall, Mold (Tel. Mold 2121) for your free colour brochure.

LONDON ECI
ENTIRE OFFICE BUILDING
Approx. 3,710 sq. ft.
Ground-floor Showrooms
FREEHOLD FOR SALE
Offers around £125,000
Bainston Eves

FACTORIES AND WAREHOUSES

STOCKPORT
28,000 SQ. FT. - NEW FACTORY/WAREHOUSE
on Poynton Industrial Estate.
18ft. eaves.
Excellent specification.
TO LET
Only £1.45 per sq. ft.
Contact:
Rowlinson Construction Ltd.
London Road South
Poynton, Cheshire SK12 7YP
Tel: Poynton (09967) 37177

KENT
Mr. Maidstone
FREEHOLD SINGLE-STORY WAREHOUSE
8,500 sq. ft.
PERMUTT, BROWN & CO.,
61, Weymouth Street, London W1.
01-486 3338

MODERN FREEHOLD FACTORY FOR SALE
NEAR ANGL. N7
7,250 sq ft with land at rear for expansion. Corrugated canopy light industrial. Original machinery. Garage fitted for overhead crane throughout. Offers in the region of £250,000.
RING 01-87 4731

MODERN LANCASHIRE WAREHOUSE
1 million sq. ft. available. Would suit shippers of cars, goods drive-in racks, own transport facilities, complete with staff and security coverage.
Make This Your Central Depot
Pay for what you occupy and therefore reduce your overheads.
Apply Box T.5048, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED
FREEHOLD OR LONG LEASEHOLD WAREHOUSE OR LIGHT INDUSTRIAL PREMISES
2,000-3,000 sq ft. between King's Cross Station and Victoria Station. Condition immaterial, but must have good road access facilities. Please send details to:
KEYDON ESTATES LTD.
104 Park Street, London, W1.
Tel: 01-482 8461

Williams & Glyn's
Interest Rate Changes
Williams & Glyn's Bank announces that with effect from 6th April 1979 its Base Rate for advances is reduced from 13% to 12% per annum.
Interest on deposits at 7 days' notice is reduced from 10½% to 9½% per annum.
WILLIAMS & GLYN'S BANK LTD

HOTEL-CASINO ATLANTIC CITY

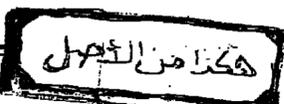
Prime location on the Boardwalk, Atlantic City, New Jersey, USA, available for development. Site is complete and zoned for a major hotel and casino. Owner will negotiate lease with financially qualified principals only.
Write Box F1098, Financial Times, 10 Cannon Street, EC4P 4BY

MONTE CARLO OFFICE ROOMS
In commercial centre, 13 Blvd. Prince Charles, at street level, 400 sq.m. including garage.
TO RENT
Write Sison, or call 505720.

IN BORDEAUX - FRANCE COMMERCIAL PROPERTY FOR SALE
Very well situated, 1,000 sq.m. in addition to 8 cars, 22 offices, 27 shops, plus building programme for 12 more shops. Price £200,000.
Write:
12, rue J.C. Sabat, 93100 Bagneux, France.

هكازمن التل

THE MANAGEMENT PAGE



EDITED BY CHRISTOPHER LORENZ

Nicholas Leslie on a plan to tap the experience of older executives

A 'talent bank' for industry

WHEN John Angelbeck and Philip Gibbs established Executive Stand-By five years ago their modest aim was to help find short-term assignments for older executives who had either retired early or had been made redundant, but who felt they still had some expertise to offer.

Very early on the two men's horizons widened. Instead of only seeking assignments in the UK they found themselves placing executives overseas as well in both short and longer term jobs.

In the process, they began to build up a register of people whose disciplines ranged across such areas as accountancy, engineering, personnel, works management, marketing and production. Former directors of large organisations and smaller companies also became clients.

Angelbeck has now devised a scheme for a "national talent bank" which aims to use the Executive Stand-By register as the basis of a much larger pool of executive talent, in age groups ranging predominantly from 50 upwards, but not excluding those in their 40s. All will be seeking the type of assignment in which Executive Stand-By has come to specialise.

It is reckoned by Angelbeck and Gibbs that there are

around 30,000 older executives who wish to continue being productive members of the community. On the other hand, Gibbs acknowledges that not all of those registered with Executive Stand-By would in practice be willing to take up assignments at short notice after they had been retired for a while.

Problem

Of those registered with Executive Stand-By a fairly large number have not been found assignments for one reason or another. Part of the problem has been the continuing reluctance of industry to consider people in the upper age groups. For the overseas the chances of jobs are not very good, comments Gibbs.

Angelbeck plans to draw together other organisations bearing the Executive Stand-By name, but which are independent of his own company. These cover the Midlands, the North East, and Wales and the West. Angelbeck's Executive Stand-By has around 700 people on its register from 281 different organisations—the basis of the talent bank—but this rises to over 1,000 with the other organisations, all of which are non-profit-making but which none

the less aim to operate on a commercially viable basis.

At the launch of the scheme this week interest was shown by some major industrial figures and by similar organisations which have broadly the same objective as Executive Stand-By. The industrialists included Sir Jack Callard, chairman of British Home Stores (and former chairman of ICI), Sir David Barran, director of Midland Bank and former chairman of Shell Transport and Trading, Sir John Partridge, director and former chairman of Imperial Group, and Lord Plowden, president of Tube Investments.

It is no coincidence that directors of large companies such as these should have been present, since many have a policy of offering early retirements. Indeed, ICI provided Angelbeck (himself a former ICI executive) and Gibbs with financial and other assistance in the early days of Executive Stand-By (and still does provide non-financial support), as did Pilkington, Brus and Bass Charrington, Executive Reserve, a similar organisation started just over three years ago, has had the backing of BP, which also operates early retirement schemes.

Not surprisingly, a fair

number of former executives of large companies are on the Executive Stand-By and Executive Reserve registers. And, as Angelbeck remarks, his "national talent bank" will, in particular, "make available more generally the sophisticated skills that tend to be associated predominantly with the large corporation."

Useful skills

The skills are felt to be particularly useful for medium and small companies, for example to help them over a particular difficulty or to fill in a gap until a permanent appointment has been made. They can also help in setting up an entirely new enterprise or in projects being carried out by a voluntary organisation (in which case Executive Stand-By waives its fee).

According to Gibbs, Executive Stand-By has to date filled about 400 vacancies in 80 different organisations. These have included an engineer to supervise erection of a bridge by local labour in Brazil, a director with an accounting background to help in the handover of a family food processing business from the owner to his inexperienced daughter, and a general



Yamaha used British design proposals the UK industry turned down

THE CURRENT British debate about how to stimulate industrial innovation is in danger of ignoring the two most important problems of all—the shortage of high-quality engineers, and the discouraging socio-economic environment.

This common theme emerged this week from two very different meetings: yesterday's annual conference of the Design and Industries Association (DIA) and a discussion on Tuesday at the Institution of Mechanical Engineers about the report on Industrial Innovation submitted by ACARD to the Cabinet Office.

British companies should not be surprised that they are so short of good engineers. Professor Gordon Blair of Queens University, Belfast (and design consultant to Yamaha), told the DIA meeting. For generations engineers had earned poor salaries in the UK; in a capitalist society this inevitably produced poor social status, he pointed out.

To study law or medicine today, a potential student will need three "A" grades at GCE A level. Professor Blair said. But for science or engineering he will need only three "Cs" for university entrance, and maybe only three "Ds" for a polytechnic course.

Rebutting criticism from various government and other committees that "university engineering research is of an ivory tower variety with little relevance to industry," Prof. Blair said "if my graduating Ph.D. students are seduced on after the other to American employment, you can be sure it is not because their knowledge on engine design is considered irrelevant."

Professor Blair has become widely known following his success in persuading Yamaha, the Japanese motor cycle maker, to adopt design proposals which the British motorcycle industry had rejected. He

Poor social status, little reward and second-rate skills

BY CHRISTOPHER LORENZ

told the DIA that research by his unit at Belfast was being sponsored by the Japanese, Germans, Austrians, Italians, Spanish, Swedes and Americans.

Who will act first "to get the best school-leavers into engineering, before we succumb as an industrial power?" Prof. Blair asked. Will it be government offering the highest university scholarships to engineering students, as has occurred in Ulster for a decade and as was recently proposed by the University Grants Committee for "the mainland"? Or will it be industry offering "the correctly-sized carrot" to good engineers?

Pointing to the experience of the Republic of Ireland, Prof. Blair said that for the past generation engineers were the best-paid university graduates. As a result, he suggested, the best-qualified school-leavers study engineering at university.

In other words, the normal forces of supply and demand had solved the Republic's shortage of engineers. "Should we try it?" he asked.

Forceful

The argument about engineers' pay, and the much broader question about whether the "welfare state mentality" discourages enterprise and excellence, was echoed at both meetings. One of the most forceful speakers at both was Mr. Kenneth Corfield, deputy managing director of Standard Telephones and Cables and author of the recent report for NEDC on Product Design.

"For decades the governments of this country... have led us down a path of strictures and stringencies of bureaucratic control, of high taxation, of huge and increasing state expenditure burdens, and have set a pattern of mediocre performance and average competence which makes it extremely difficult for the wealth-creating sector of our industry to shine," Mr. Corfield argued at the DIA meeting.

Exorbitant tax rates freeze

Turning a tough mission into an export success

BY RHYS DAVID

THERE TENDS to be a sharp divergence of opinion about trade missions between those who go on them and those who do not.

Any participant will tell you about crammed schedules, tough negotiations, long airport delays and the like. But the sceptical listener is more likely to think of it in terms of travel to exciting places, relaxed evenings in the bar or expensive restaurants, and all at somebody else's expense.

So when one particular mission collects unsolicited praise from British Government officials responsible for promoting trade in perhaps the most demanding European market of them all—Switzerland—it suggests at the least that the approach must be worth examining.

The mission—organised by Leeds Chamber of Commerce—came about as a result of the Chamber's view that while the bigger companies could handle the development of markets in Europe themselves, smaller companies thinking about exporting for the first time might need some help. West Yorkshire itself has a highly diversified industrial base consisting of many small engineering, textiles, clothing, chemicals and other manufacturers, and with the decline of sterling a number of these have begun to find exporting potentially attractive. Their requirement is for relatively near markets where they are able to follow up inquiries quickly and offer prompt back-up service.

As such they had been falling between two stools, unlikely to benefit from long-haul missions sponsored financially by the British Overseas Trade Board, but in need of some assistance, financially and otherwise, in order to open up markets in Europe.

The finance problem was solved, according to John Stockdale, an official of the Leeds Chamber, as a result of the willingness of the local authorities to help. West Yorkshire is unusual among local authorities in earmarking funds within its industrial development budget to help the area's chambers with export promotion. Leeds

City Council was also willing to help with funds.

A more difficult problem is to ensure that missions are effective, and that the time of those participating is well-used. In the event the first Leeds mission this time last year to the Netherlands provided a good test run. By the time of the Swiss mission at the end of 1978 a system had been worked out which placed heavy emphasis on advance preparation.

Well before the mission's visit to Zurich Mr. Stockdale conducted a series of interviews with participants at which he armed himself with details of the products they could supply and the type of deals they would like to arrange with Swiss contacts.

A preliminary visit to Switzerland was then made, at which he was able to brief British consular staff, the British-Swiss Chamber of Trade and leading Swiss banks, about those on the mission, what they made and what they were hoping for.

With this amount of knowledge about the companies, the consulate was able to play a much more effective role itself in helping the mission. Working closely with the Chamber in Leeds, the consulate was able to co-ordinate appointments suggested to it with other meetings arranged directly by the companies themselves.

At the start of the week-long visit itself, the consulate laid on an initial reception at which the 12-strong mission was able to meet representatives of Swiss business, banking and Press; the following morning the members of the mission were given a full briefing on the Swiss economy and on Swiss commercial practices.

Those selling consumer products, for example, were warned that Swiss retail groups tend to seek exclusive rights in their market areas and also that the mark-up—by UK standards at least—on consumer goods is very high. Following the briefing, the consular staff worked out for each individual a full programme of visits, with the schedules detailing train times and tram numbers.

The fruits of such a visit

THE EXECUTIVE SECRETARY
An important one-day seminar
18th April, Charing Cross Hotel, London
£70.00+VAT
Book now with Christine Branson on 01-353 3651
AGB Conference Services Ltd.,
Ludgate House, 107/111 Fleet Street, London EC4A 2AB

NOVO INDUSTRI A/S
The Annual General Meeting of the Company will be held on Thursday, 26th April, 1979 at 4 p.m. at the Håndværkerforening (Møkkes Palæ), Dronningens Tværgade 2, 1302 Copenhagen K, with the following agenda:

- The Board of Directors' Report on the Company's activities in the year ended 31st December, 1978.
- Presentation of the financial statement, auditors' report and consolidated group accounts.
- Resolution concerning adoption of the profit and loss account and balance sheet, including the discharge of management and directors from their obligations in this respect.
- Resolution concerning the application of profit in accordance with the adopted accounts.
- Election of members to the Board of Directors.
- Election of one deputy member to the Board of Directors.
- Appointment of auditors.
- Proposals, if any, from the Board of Directors or from shareholders.

Admission cards and voting papers are available for collection or by postal application at the Company's office, Novo Allé, 2880 Bagsvaerd on all business days from 10th April to 20th April, 1979 both days inclusive, between 10 am and 3 pm.

Where shares are registered under the holder's name admission cards and voting papers will on application be issued directly to the shareholder (stating the serial numbers and nominal value of his shares). In respect of other shares, admission cards and voting papers are issued against production of the share certificates or any other documentation considered in the opinion of the Company to be satisfactory, e.g. a written statement from a bank approved by the Company to the effect that the shareholder has deposited share certificates identified by serial numbers and nominal value, in the bank; that the shares bear no endorsement to the effect that they have been registered under the holder's name; and that the shares will remain deposited in the bank until the day after the General Meeting for which the shareholder requests an admission card. Unless the shareholder specifies an address where the admission card shall be sent to, the admission card must be collected at the Company's office not later than 25th April, 1979 or will be sent to the shareholder if he specifies an address.

The agenda, the complete proposals and the financial statement, auditors' report, and the consolidated group accounts will be available for inspection by shareholders at the Company's office from Wednesday, 18th April, 1979. The financial statement, etc. are available from the Company or Morgan Grenfell & Co. Limited, Registrars Department, 4 Throgmorton Avenue, London EC2P 2NB as from 11th April, 1979. However, the financial statement will be submitted to the shareholders whose shares are registered under the holder's name in the Company's register of shareholders.

The dividends declared at the Annual General Meeting will be paid (less 30 per cent. dividend tax) from Friday, 27th April, 1979 against delivery of coupon number one. Payment will take place at Copenhagen Handelsbank, 2, Holmens Kanal, DK-1091, Copenhagen K, Denmark.

Information on the special taxation rules applicable to shareholders resident in the United Kingdom or the Republic of Ireland may be obtained from the Company or from Morgan Grenfell & Co. Limited.

Signed: The Board of Directors.

THE FLYING BRIEFCASE

You must have experienced all the worries and frustrations of sending an urgent package abroad. Will your goods arrive on time? Will they arrive safe? Will they arrive at all?

EMERY FLYTE PAK

IT HOLDS SO MUCH
Your crush-proof Flyte-Pak will carry anything up to 5lbs in weight. Send samples, documents, artwork, film, records, medicines. The Flyte-Pak will accommodate even the most difficult shapes.

IT'S SO SECURE
Your goods are as safe as if you carried them yourself, because Emery's tight security system makes tampering impossible. And the Emery computer has your Flyte-Pak under constant surveillance.

AND IT COSTS SO LITTLE
From airport to airport, the cost of the Flyte-Pak service is only £12 to Europe and the United States, or £15 to the rest of the world.

You see, Emery understand your sense of urgency. All you have to do now, is telephone Emery Air Freight and ask for your flying briefcase. The Emery Flyte-Pak. It takes the frustration out of sending packages abroad.

Ring London (Ashford-Middx) 69-45921, Birmingham 021-706 6491, Leeds 0532-562526, Manchester 061-437-6121, Prestwick 0292-70511.

EMERY Air Freight
Everything's urgent to us!

Highlights

Financial Highlights of a second year of success

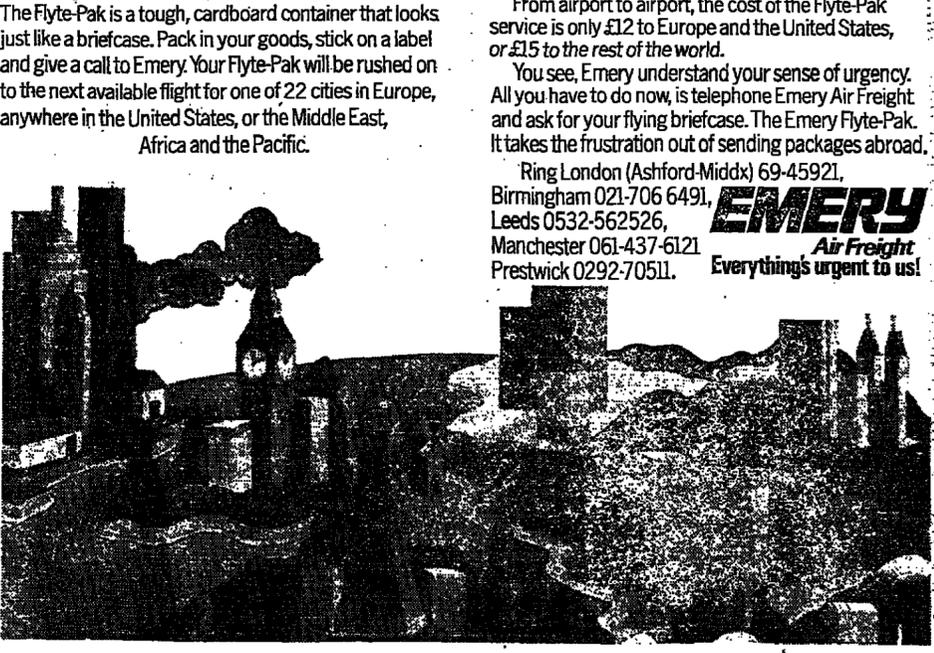
Balance Sheet Total	in million	588.7
Deposits with Banks	280.5	
Advances to Customers	208.6	
Credit Volume	339.2	
Capital and Reserves	179	

After the capital increase of US\$ 6.7 million on January 2, 1979 and allocation of the year's profit to the reserve the equity now totals US\$ 247.4 million.

Hanse Bank S.A.
Luxembourg

25 Boulevard Royal, P.O. Box 612
Tel: 46842-1, Telex: 1806 hanse lu

Star-aholokers:
Landsbankinn Skilavesty-Höskuldur
Kva, W. Germany
Bank of Helsinki Ltd. 10
Helsinki, Finland



Politics of a blast furnace

BY GEOFFREY OWEN

IN THIS column on March 16 I criticised the suggestion made by Sir Richard Marsh that the British Steel Corporation could never be returned to private ownership and that everyone should stop arguing about it. My belief in a return to the private sector—as a medium-term objective if not something that could be achieved overnight by a new Tory Government—was greatly strengthened by the events of the past few weeks. The plan fact is that as long as they are controlled by the Government the managers of the BSC are not free to take commercial decisions in the best interests of the business. The interference is more surreptitious than at times in the past and because of the change in personalities there are none of the shouting matches that used to take place between Sir Monty Finniston and Mr. Anthony Wedgwood Benn when he was at the Department of Industry. But the basic problem is unchanged.

The latest flare-up has come over imports of coking coal. The BSC is planning to commission in July a very large blast furnace at Redcar in the North East. When this furnace was planned six years ago, the intention had been to feed it with 100 per cent British coking coal. But since then technology has advanced. The BSC management reached the conclusion that if the new furnace was to work efficiently, producing iron of the right quality and at the required rate of output, it would need coal of a higher quality than the National Coal Board could provide; the preferred mix was 25 per cent home-produced, 75 per cent imported.

Miners' lobby

During last year the BSC had discussions with the Departments of Industry and Energy—and of course with the Coal Board—over the supplies of coal to Redcar. The BSC and the NCB, not surprisingly, did not see eye to eye. The problem was examined by the two Ministers, who pressed the BSC to look again at the technical merits of using home-produced coal. This was done and the BSC agreed to increase the proportion of British coal to 45 per cent—higher than its technical experts preferred, but apparently bearable. Ministers were still not happy, but the BSC made it clear in March that if the commissioning date for

Redcar was to be met, contracts with the Australians would have to be signed very shortly—and they were, towards the end of last month.

Then the miners' lobby got to work. It was put about that the BSC was behaving with callosity disregard for miners' jobs, that the NCB could meet Redcar's quality needs and had made investments specifically for that purpose, and that Ministers would probably veto the Australian contracts. Mr. Eric Varley responded to the pressure with alacrity, making full use of that cowardly Ministerial device—the non-attributable Press briefing. This week he seemed to be suggesting that the BSC management had gone behind Ministers' backs in signing the contracts. In announcing plans for a new licensing system to control the coal imports, he implied that the contracts might be cancelled, although the official statement from the Department merely spoke of securing the maximum use of British coal "consistent with the viability of the steel industry."

Long-delayed

Maybe all this is a jolly preoccupation for Ministers which they do not take seriously. But let us suppose that they do force the BSC to renege on the Australian deal, as is administratively possible. Quite apart from the diplomatic and commercial repercussions, the effect on the Redcar furnace would be very serious indeed. This furnace is twice as big as anything the BSC has yet installed, though there are three operating in other parts of Europe (notably at Taranto in Italy) and several in Japan; it is part of the long-delayed modernisation of the British steel industry, but bringing the furnace on stream will be a delicate and difficult operation. Using all-British coal would not only be dangerous, but would undermine the economics of the investment.

Perhaps Ministers have in mind a chain of reciprocal deals, whereby British Steel is forced to buy poor-quality coal from the Coal Board, British Leyland is forced to buy poor-quality steel from the BSC and the British people are forced to buy poor-quality cars from British Leyland. It sounds a splendid recipe for the regeneration of British industry.

Aristocrats on two wheels

BY PETER CARTWRIGHT

NO ONE, even at Sandhurst, would confuse Major Nichols with a member of the officer's mess. He is, in fact, one of a hand of dedicated former cyclists who have pleasurable combined hobby and work to custom build bicycles equally dedicated and discerning cyclists in various parts of the world. But it is a fairly safe bet that his slightly hunched former shop in Durban Road, Sandhurst, "the British headquarters of Birmingham, is among the cycling fraternity at least, as well known abroad as the more redoubtable Sandhurst.



Major is Mr. Nichols' christian name and when he came out of the forces—he was in the Royal Navy—he took over from his father, whose shop in West Bromwich was well known when bicycles were the fastest-rod machines in the world. Like all the others, Mr. Nichols is deeply imbued with the craft and mystique of the business, a request to look into the workshop being met with a smile and deprecatory shake of the head: "All my secrets are in there."

The handful of purpose-built frame and cycle makers are in a direct line of descent from an earlier era when British quality was world renowned. "You either want to make

money or make bicycles," Mr. Nichols explains. "What the customer gets is the devotion to detail, benefit of long technical experience and quality of finish to satisfy even the most demanding racing cyclist. Most of the craftsmen have either themselves finished among the high places of international events, or their cycles

can buy either a standard or special bike, or just the frame and wheels to which they can add their own components from an immense or now over 100 different choices. The Professional racing model, successfully raced by a Scottish top maker, soon gained an international reputation. Bill himself is no mean performer either, back in 1964 he won the South Pennine road club's 12-hour trial with 247 miles to his credit, a record that still stands. Today he confines his enthusiasm to riding the down miles to work, going back the long way round "on fine evenings."

While Mercian is one of the biggest in the hand-built business, with 1,500 new and 1,000 renovated frames a year out of the door, it is essentially a modest enterprise.

There are six frame makers, plus two apprentices and four men employed on shot blasting, spraying and fixing transfers. The office is tiny, no more than 10 ft x 7 ft and when I called I made a crowd. Just to emphasise the family nature of the business, Bill's wife Sue, also a keen cyclist, was at the door sorting out the mail by Barry Hill's winner "on the book" and also by the third in that event, Sing Man. Pin Tuck is capable of springing a surprise. I cannot remember when a successful British challenger in France bid to follow up in a Beverly Handicap, but this is the case with Royal Portrait in the Bewick Stakes. Dumon Keith's winner "on the book" is the winner of a £3,500 sprint at Cagnes-sur-Mer on March 9 is likely to have few problems of the 7 st 11 lb mark.

With 1 mile less to travel this afternoon, and the benefit of that run behind him, Last Captive looks to be the one they will all have to beat. I take him to score at the chief expense of Neville Callaghan's unaced Busted Away.

Ipi Tombi, Marshall's representative in the Everingham Maiden stakes, met with little luck, while trying to get off the mark on the Flat last season, finishing in the minor berms of his four appearances. However, a earned him a win and a second place should see the Nijinsky colt landing the first and weakest division of his event.

Pin Tuck, who lines up for the Esk Handicap, in preference to stablemate Spanish Armada, is another to have been running over the minor obstacles in recent weeks and it was less than a month ago that the High Top gelding finished a close

third behind Cherulgan and Paski in Doncaster's Corporation Hurdle.

In his only race since then, Pin Tuck was running on best of all at the finish when taking sixth place behind Matinale in the 24-mile Wadworth Handicap at Doncaster on Lincoln day.

Although held by Barry Hill's winner "on the book" and also by the third in that event, Sing Man, Pin Tuck is capable of springing a surprise. I cannot remember when a successful British challenger in France bid to follow up in a Beverly Handicap, but this is the case with Royal Portrait in the Bewick Stakes. Dumon Keith's winner "on the book" is the winner of a £3,500 sprint at Cagnes-sur-Mer on March 9 is likely to have few problems of the 7 st 11 lb mark.

Last Captive could score

THERE IS no more than forward in Newmarket that of Bill Marshall, whose early-season runners invariably pick up several prizes, and it could well be the former fighter pilot's afternoon at Beverley Marshall, who saddled

RACING

BY DOMINIC WIGAN

Spanish Armada to land the Esk Handicap on the corresponding day. It has a bright chance of taking that event through Pin Tuck, while Last Captive and Ipi Tombi could also be on the mark for him.

I particularly like the chance of Marshall's Last Captive although he was a disappointment last season when he failed to live up to early-season expectations. But a minor prize, such as this afternoon's Houghton Maiden stakes, is well within his ability. Ten days ago at Leicester, in

the Kibworth stakes, Last Captive had his field well beaten with less than a mile to go before stamina limitations proved his undoing.

With 1 mile less to travel this afternoon, and the benefit of that run behind him, Last Captive looks to be the one they will all have to beat. I take him to score at the chief expense of Neville Callaghan's unaced Busted Away.

Ipi Tombi, Marshall's representative in the Everingham Maiden stakes, met with little luck, while trying to get off the mark on the Flat last season, finishing in the minor berms of his four appearances. However, a earned him a win and a second place should see the Nijinsky colt landing the first and weakest division of his event.

Pin Tuck, who lines up for the Esk Handicap, in preference to stablemate Spanish Armada, is another to have been running over the minor obstacles in recent weeks and it was less than a month ago that the High Top gelding finished a close

third behind Cherulgan and Paski in Doncaster's Corporation Hurdle.

In his only race since then, Pin Tuck was running on best of all at the finish when taking sixth place behind Matinale in the 24-mile Wadworth Handicap at Doncaster on Lincoln day.

Although held by Barry Hill's winner "on the book" and also by the third in that event, Sing Man, Pin Tuck is capable of springing a surprise. I cannot remember when a successful British challenger in France bid to follow up in a Beverly Handicap, but this is the case with Royal Portrait in the Bewick Stakes. Dumon Keith's winner "on the book" is the winner of a £3,500 sprint at Cagnes-sur-Mer on March 9 is likely to have few problems of the 7 st 11 lb mark.

With 1 mile less to travel this afternoon, and the benefit of that run behind him, Last Captive looks to be the one they will all have to beat. I take him to score at the chief expense of Neville Callaghan's unaced Busted Away.

TV Radio

Indicates programme in black and white

BBC 1

6.40-7.55 am Open University (Ultra high frequency only). 1.45 pm News. 1.00 Pebble Mill. 1.45 Heads and Tails. 3.25 Telfant. 3.52 Regional News for England (except London). 3.56 Play School. 4.20 Hevvy. It's the King. 4.48 On Location... with "The Music Machine". 5.10 Lassie. 5.35 The Perishers. 5.40 News. 5.55 Nationwide (London and South-East). 6.20 Nationwide.

All Regions as BBC 1 except at the following times:

Scotland—5.55-6.20 Reporting Scotland. 10.15 Spectrum: The Scottish Painters. 10.45-10.50 Regional, National News.

Wales—1.45-2.00 pm Sioncyon Showy. 3.55-4.20 News Today. 7.00 Heddli. 7.20-7.50 Dewch I'r Arid. 10.15 Kane on Friday. 10.45-10.50 Regional, National News.

Northern Ireland—5.55-6.20

11.00 Open University. 11.00 Play School. 11.10 Who's Afraid of Opera. 11.25 Inner Space. 12.00 Song Book. 13.10 pm Rainbow. 12.30 The Cedar Tree. 1.00 News. 1.20 Thames News. 1.30 Home and Design. 2.00 After Noon Pips. 3.20 You're Only Young the Once. 3.50 The Bachelors. 4.15 A Bunch of Fives. 4.45 Magic. 5.15 Thames Sport. 6.00 News. 6.40 News at 6. 6.50 News at 7. 7.00 Mork and Minky. 7.30 Winner Takes All. 8.00 Flambards. 9.00 News of Caradoc. 10.00 Soap. 10.30 Year. 11.00 Police 5. 11.10 The London Programme: MOT Certificates. 12.10 am Electric Theatre Show. 12.40 Close: Peter Penry-Jones reads from the Baster story with a painting by Tintoretto.

All IBA Regions as London except at the following times:

ANGLIA

9.30 am Cartoon Time. 9.35 Snoopers: The State Express Grand Masters Challenge. 10.15 Thomas Hardy. 11.10 News. 11.25 The News. 11.55 News. 1.25 pm Anglia News. 2.25 Friday Film Magazine: Killer Bees. 2.55 News. 3.25 News. 3.55 News. 4.25 News. 4.55 News. 5.25 News. 5.55 News. 6.00 Look-around Friday. 6.30 The Dog Show. 7.30 A Taste of Britain. 7.55 City. 8.20 Pot Black 79. 9.25 Women At Arms. 10.15 Happy Birthday Sir Adrian: Sir Adrian Boult. 11.25 Late News. 11.40 Rock Goes to College. 12.20 am Closedown: reading.

CHANNEL

1.15 pm Channel Lunchtime News and What's On Where. 2.25 The Friday Magazine: The Gang. 3.00 News. 3.15 Emmerdale Farm. 3.00 Report at Six. 3.25 Lucas. 10.32 Channel 5. 10.35 The Last of the Minors. 10.45 The Movie: The New Intertec. 12.45 am News and Weather in French.

GRAMPIAN

9.25 am The Last of the Curlews. 10.15 Thomas Hardy. 11.10 News. 11.25 The News. 11.55 News. 1.25 pm Grampan News Headlines. 1.55 Emmerdale Farm. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.55 News. 8.00 News. 8.15 News. 8.30 News. 8.45 News. 8.55 News. 9.00 News. 9.15 News. 9.30 News. 9.45 News. 9.55 News. 10.00 News. 10.15 News. 10.30 News. 10.45 News. 10.55 News. 11.00 News. 11.15 News. 11.30 News. 11.45 News. 11.55 News. 12.00 News. 12.15 News. 12.30 News. 12.45 News. 12.55 News. 1.00 News. 1.15 News. 1.30 News. 1.45 News. 1.55 News. 2.00 News. 2.15 News. 2.30 News. 2.45 News. 2.55 News. 3.00 News. 3.15 News. 3.30 News. 3.45 News. 3.55 News. 4.00 News. 4.15 News. 4.30 News. 4.45 News. 4.55 News. 5.00 News. 5.15 News. 5.30 News. 5.45 News. 5.55 News. 6.00 News. 6.15 News. 6.30 News. 6.45 News. 6.55 News. 7.00 News. 7.15 News. 7.30 News. 7.45 News. 7.

THE ARTS

The Other Place, Stratford

Pericles

by B. A. YOUNG

Pericles is more of a serial story than a play, Shakespeare even has to use a narrator to link up one far-fetched adventure with another.

The production at The Other Place, directed by Ron Daniels, has a serial story atmosphere about it, too. There is no scenery but a circle defining the acting area and a tall post that can be part of a ship's rigging.

There is not much opportunity for dramatic action in what is virtually a series of charades; the players must rely on their talents for speaking the lines to impose their personalities on us.

Peter McEnery's noble voice rings like a trumpet for the young Pericles, tolls like a funeral bell for the bowed, heartbroken Pericles in Act 4 and 5 whose finger-nails have grown like vulture's talons in his self-neglect.



Emily Richard and Peter McEnery

to Thaisa, daughter of the King of Pentapolis. No one else is given such diverse opportunities. The play is full of parts for women, but they are single-quality ladies—the beautiful young Thaisa is almost interchangeable with her daughter; so might the wicked Princess of Antioch be, for her wickedness is kept offstage.

In the play, and they are splendidly done by Miss Canning, Jeffery Dench as the pander, and John Matshikiza as Boult, against whose lusts Miss Peasegood's Marina resists movingly, though only verbally.

Cinema

The Wiz in Blunderland

by NIGEL ANDREWS

The Wiz (U) Dominion The Thief of Baghdad (U) Odeon Marble Arch and General Release Fantasy Authors on Film National Film Theatre Electric Eskimo (U) Classic Oxford Street

One year, six months and two days ago, I saw The Wiz in a stage production in San Francisco. That experience vouchsafed the fact that Charlie Smalls's all-black musical based on The Wizard of Oz was never a very tuneful show to begin with.

In Sidney Lumet's film musical it has caught a dose of movie elephantiasis. Everything is bigger and louder and ungainlier. The film started out with a budget of \$11m and wound up costing \$35m—the most expensive film musical ever made.

The mind boggled before one saw the film. It boggles still more after it, for the truth is more daunting than the rumours. Miss Ross, who unaccountably hasn't had a good movie role since her frail and heart-wringing Billie Holiday in Lady Sings The Blues, plays Dorothy as a pious, doe-eyed virgin given to singing soulful songs at a troppo adagio.

Blunderbuss desperation of a film-maker doing his first musical and having no experience to trust to, no certain targets for his mind's eye and ear to aim at.

A director who rose to box-office success with racy urban melodramas like Serpico and Dog Day Afternoon is an odd choice for a musical to begin with. The Wiz needs a light touch and fly-by-pacing. It gets sledgehammer overemphasis and trudges on for 136 minutes.

In a good film, the crowning appearance of Lena Horne as a Good Witch would have been the High Camp cherry-on-the-cake. There she sings, blunderbuss and floating in a night sky and surrounded by cherub infants stuck as if by drawing pins against the galactic backdrop. But by this time one's ears so glutted with the wrap-around miracles of Dolby, that it is just one overweight hyperbole too many.

The Thief of Baghdad self-evidently cost a small fraction of The Wiz's budget. The Oriental palace-walls all but wobble and are in poster-paint yellow, the minarets in the



Diana Ross in 'The Wiz'

background look as if they could be picked up between finger and thumb. And there is a suspicious generosity with that conceal-all stand-by, dry-ice studio mist. But this film is at least ten times more enjoyable than the other. Kabir Bedi plays the Prince who seeks the hand of the Caliph's daughter, Roddy McDowell is the thief who helps him win her with a suitable wedding gift (the all-seeing eye from the Temple of Truth) and Terence Stamp is the wicked Wazir, the Prince's rival.

Elsewhere, though the special effects are a little cut-price and the supporting cast sometimes eccentric (the Genie of the Lamp, long-nailed and false-eyed, seems to have been hired out by the Lindsay Kemp genie agency), the spirit of fun is unflagging and unforced. Clive Donner directed. A. J. Carothers wrote the screenplay.

Beginning this week at the National Film Theatre is "Fantasy Authors on Film," a season devoted to movie versions of Sci-Fi and horror stories that first appeared on the printed page.

Electric Eskimo flickers intermittently with humour and invention, but this fantasy film made for the Children's Film Foundation is a bit short on bright ideas even for its modest 57 minutes.

Electric Eskimo flickers intermittently with humour and invention, but this fantasy film made for the Children's Film Foundation is a bit short on bright ideas even for its modest 57 minutes. An Eskimo boy accidentally stumbles into the electric field of a scientific experiment taking place at the North Pole.

Festival Hall

Shostakovich by DOMINIC GILL

"No one concert," our programme-note confessed, as if the range and breadth of Shostakovich's music were by definition somehow wider than most, "could possibly reflect, however crudely, the whole of Shostakovich's development."

As Hugh Ottaway nicely puts it, the humour of Shostakovich, especially in the early "modernist" works, owes much to the well-placed banana-skin. The overture to an abandoned operatic project called Columbus, conceived just after The Nose in 1929, belongs to the more indigestible genre of Shostakovich burlesque—all twinkle, tinkle and burp. But the two later pieces, the Concerto for piano, trumpet and strings up to 35 and the concert suite from Shostakovich's first ballet The Age of Gold, brought together all the other characteristic ingredients of the period: that very individual amalgam of restless lyricism, mordant off-key tonality, and sometimes maudlin, sometimes sprightly sentiment.

Except for a tiresome, joky Polka, there is some pleasing scenic stuff in the Age of Gold Concerto, and the piano part of the Concerto, which holds the main interest of the piece, was splendidly thrown off, and with conviction too, by Victoria Postnikova. John Wilbraham, whose musical capabilities extend as far as 1930's Shostakovich—if not, as we learned the other evening, as far as Elliott Carter—was the decent, unimaginative trumpet soloist.

The second half of the evening brought us forward nearly to the present day, and to the greater economy, refinement and close working of late Shostakovich. The Suite on Verses of Michelangelo Buonarroti for baritone and orchestra is the last but two of the composer's completed works, written in 1974-75. It is, like the 14th symphony which precedes it by five years, an essay in darkness. Even in the hour of highest happiness, the vocal line of each of the 11 settings is slow-moving, lugubrious; in the instrumental music, light breaks through rarely.

Even the sparkle in the final setting, "Immortality," faintly glittering not in the voice but in the instruments, is quickly mixed with, and gradually overtaken by, twilight. The rest is evening, and night: "Truth," a powerfully nocturnal incantation; the dark tones of lower strings and harp at "Morning"; a brief shaft of mountain sunlight in "Love," quickly stifled; the dark purpose of the hammerblows that crash in "Creativity"; the blind ringing of bells and bells in "To the Exile." It's a fine, disturbing work, keenly and somberly made—in this performance bravely sung with increasing confidence, and increasing exactness of pitch, in Russian by John Shirley-Quirk.

In the first paragraph of a chapter on the opera in Janacek's Tragic Opera—it is the best of a flawed study—Michael Evans remarks that Katya is "unfolded" with classic economy. This is not quite the impression of the work that Mr. Pountney's production leaves. The tone of the drama has been pitched at a high level of intensity, and the happy result of this is that each character is very sharply projected, with quick, keen responses to behaviour on every side.

Theatre Royal, Glasgow

Katya Kabanova

by MAX LOPPERT

The cycle of Janacek operas on which Scottish Opera and the Welsh National Opera are co-operatively engaged is taken a step nearer completion with the new Katya Kabanova, which opened at Glasgow on Wednesday. The cycle has thus far produced results in the main so admirable that expectations were high, and were perhaps bound to be slightly disappointed. But criticism of David Pountney's production, Maria Bjornson's designs, and Richard Armstrong's conducting must be prefaced by an affirmation that anyone coming to the opera for the first time will gain from this staging a vivid and dramatic account of a masterpiece.

In the first paragraph of a chapter on the opera in Janacek's Tragic Opera—it is the best of a flawed study—Michael Evans remarks that Katya is "unfolded" with classic economy. This is not quite the impression of the work that Mr. Pountney's production leaves. The tone of the drama has been pitched at a high level of intensity, and the happy result of this is that each character is very sharply projected, with quick, keen responses to behaviour on every side.

When Tichon knocks Katya to the ground in Act 1, and whips out a hip flask at the least provocation; when Katya's emotional climaxes are underscored in sudden changes of spotlight, when at the end of the first act she rushes to cling to the doorframe

like a caged animal; or when the "one tipsy passerby" in the second scene of Act 3 becomes a threatening horde—at these and many other points one feels it is the detail, rather than the basic structure of the production, that has been misjudged. In consequence, an atmosphere of frantic melodrama is evoked early on, which does not harmonise with the music. Even in the most piercing episodes of pathos and tragedy, it remains a music of concentration, compression, lyrical simplicity.

Miss Bjornson's sets are, as ever, boldly shaped, and full of original ideas, on this occasion not fully thought through. A potent sense of two opposed locations should inform any Katya—the claustrophobic domesticity of the Kabanov house, and the finally cruel freedom offered by nature, and the river. Neither is here suggested with sufficient precision. Silvered spangles across the cyclorama and rock and mud banks bordering the stage, though cleanly outlined, create an unpoetic landscape and a confusing topography (the river bank appears to stretch into the Kabanov living room; at one point Kudryash and Varvara play about in a muddy puddle). A bleak wooden fence divides garden and river. In Act 3 the stage floor is scored with small ravines, and Katya emerges out of her hiding place in one of them. As in the production, the detail is vividly imagined; changes are swiftly made; it is, on its own terms, and impressive insouciance.

The memory of Josephine Barstow's first Katya that has

stayed longest is of the beauty of her singing. This may surprise those for whom the voice is a taste difficult to acquire even while the dramatic abilities of the actress may not be in question. The middle register had the muted colour of a viola (low notes, though compact, lacked weight); above, there was security in both the soft singing and the loud; the phrasing was hauntingly individual, musically poetic. A generalised angst-ridden intensity characterises her playing so far, which makes a striking contrast with the mastery understatement, the bleak succinctness of the Kabanicha, in a portrayal of terrible power by Kerstin Meyer.

Allen Cathcart's tenor sounded more widely than usual as Boris. Peter Jeffes and Cynthia Buchan sang and acted with delightful freshness as the young couple, and in a cast without weakness the forceful delivery of William McCue, a Dikoi in leather and a whiplash haircut, still made a notable impact. The configuration of pit and stage and the warm acoustics of the theatre seemed to rub the score of its tang, but at the same time ensured that more of Norman Tucker's translation was audible than ever before (diction was uniformly good). Indeed, Mr. Armstrong can without risk afford to assert the orchestra's part a good deal more; on Wednesday the playing was competent, but cautious and even colourless. When it comes into clearer focus, the performance as a whole may well achieve a better balance of dramatic tone.



Kerstin Meyer and Josephine Barstow

Hayward Gallery film exhibition

Film as Film—Formal Experiment in Film 1910-1975 at the Hayward Gallery from May 3-June 17 is an Arts Council exhibition, based on one organised in Germany by the film-maker/critic Birgit Hein and Wulf Herzogenrath of the Kölnische Kunstverein.

It breaks ground by examining the relationship between the

major art movements of this century and the development of the formal film.

Over 100 artists/film-makers are represented by films, drawings, paintings and diagrams, their work spanning the years between the first hand-painted film experiments of the Futurists and films produced using advanced technology today.

Mobil aids the V & A

Mobil, for long a committed sponsor of the arts in the U.S., is now extending its help to its overseas markets, including the UK. It has just completed a successful winter season of concerts in the chapel of the Royal Naval College at Greenwich, which is to be repeated next autumn, and yesterday it launched a new association, this time with the Victoria and Albert Museum.

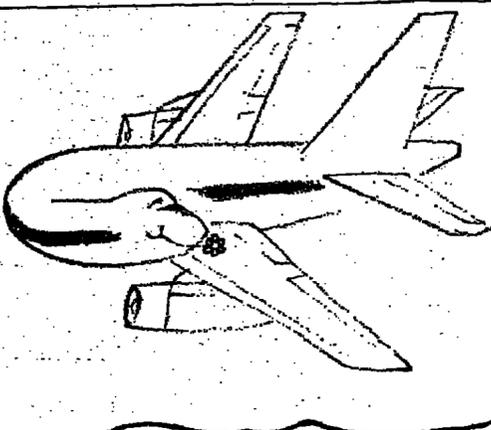
The V and A has been rich in treasures but poor in guides. Mobil is filling the gap by producing 12 guides to the main galleries in the museum. The

first three—covering the Art of Islam, Early Medieval Art, and Far Eastern Art—have just been published, and another three are planned before the end of the year. They are attractive and unusual introductions to the V and A, concentrating on half a dozen or so star items in each department rather than attempting to be fully comprehensive.

The guides come in the form of broadsheets, with drawings, not photographs, as illustrations, which in itself preserves the arts and crafts background to the museum. They are priced

at 20p each and the aim is that any profit made goes towards a reprinting: the original run is 20,000 copies.

In the past museums and art galleries have missed out on industrial sponsorship which has favoured the star personalities, the captive audiences, the established successes of opera and concerts. This is a bold venture by Mobil which expects a long association with a long established institution. It is the best form of sponsorship because it meets a need, and because it produces a tangible and communally useful result. A.T.



... it just has to be

SWITZERLAND

... for those super quality holidays - for exhilarating fun and peaceful relaxation - for good food - for a wealth of art and culture - for refreshing walks, invigorating sports and rejuvenating spas - for successful business meetings - and for the low-cost Swiss Holiday Card offering unlimited travel on 5,600 miles of Switzerland's railways, boats and alpine postal coaches.

Contact your Travel Agent or Swiss National Tourist Office, Swiss Centre, 1 New Coventry Street, London W1V 3HG Tel: 01-734 1921

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telephone: 01-248 5000

Friday April 6 1979

Sterling adrift

WITH ONE bound Jack was free, or at least it is hoped. The monetary authorities have been wrestling with a dilemma for some weeks: the level of interest rates necessary to check the growth of domestic credit was drawing in large funds from overseas, so that the only choice appeared to be whether excessive monetary growth would be financed domestically or from overseas. Yesterday the Bank of England announced one policy change—a cut in minimum lending rate. At the same moment it made another, unannounced change: it stopped intervening in the exchange markets to finance inflows. We have moved at least from dilemma to wait-and-see.

Pressures

The only certain thing that can be said about these moves at present is that they mark the end, for the time being, of the official policy of striving, at least, to behave as if we were members of the European Monetary System. The handicaps were broken, of course, some days ago, when the link between the pound and the Irish punt had to be cut to keep the Irish currency within its EMS bands; but at least it could be said that we were trying. The reserve figures showed intervention to the tune of \$1bn, almost entirely in the last week of the month.

Not for the first time, the evidence of intervention seems simply to have encouraged the flow of short-term capital, and the first days of April have apparently been as hectic as the last days of March. The Bank has rightly refused to repeat the dramas of 1977, when external pressures were allowed to drive interest rates down to 5 per cent before sterling was unclipped, and acted early.

The first question that arises is the likely course of the exchange rate. It is not only as putative members of the EMS that the authorities have been worried by the rise; the level of sterling is now beginning to hamper especially sensitive exports, such as bulk chemicals and fibres, where price is the only information on the label which counts. In the light of rising inflation rates, unsolved labour problems and an unknown bill to be paid by the Exchequer, sterling seems to have cut adrift from the realities.

However, the forces which have driven sterling inexorably towards over-valuation cannot be stopped by technical manoeuvres in the market. They

arise, as we have pointed out from a free market, fiscal policies, which have driven interest rates up, and mistaken persistence with exchange controls, which block the capital flows which could otherwise finance improved exports. We have chosen to be uncompetitive.

Handicap

The reactions in the market yesterday suggested that while these pressures have not yet exhausted themselves, they are no longer enormous; the upward move in sterling was quite modest in relation to the change in policy which preceded it. Since inflation rates and interest rates in the outside world are now unhappily rising, the financial pressures should abate in future, while the handicap to exports may at least not increase unduly fast. At first sight, the freeing of the rate was well-timed.

The domestic prospect is far harder to guess. In February, bank lending reached a record \$1bn, partly for reasons connected with the disruption of foreign trade, but the feeling in the City is that credit demand remained quite buoyant in March. New lending combined with recent inflows certainly make the outlook for monetary policy problematic, if not worse; it seems an odd time to lower interest rates.

Symbolic

However, the lowering of MLR will probably prove more symbolic than stimulative. It has allowed bank base rates to fall into line with the money markets, and will thus prevent distortions which would otherwise have tended to conceal monetary growth, so the statistics may make the move appear risky. In fact it marks the end of a series of manoeuvres by which the authorities have been trying to re-establish a more normal yield curve, simultaneously relieving shortages of overnight money, while resisting any undue fall in longer rates. It is hoped that this will help to create more stable conditions after the winter crisis and the strange dramas of the recovery from it.

Probably the combined moves are the best that can be done at the moment to contain the results of mistaken fiscal and exchange policies. And at least we can be grateful that the Chancellor did not on Tuesday try to make political capital out of a situation which really does him little credit.

A new trade pact in sight

IN THE LAST few years, and notably since the recession induced by the 1973 oil price increase, the world has become increasingly sensitive to the rise in protectionist pressures in the old industrialised countries of Europe and North America. In the case of a few particularly vulnerable industries, governments have on occasion given way to these pressures, either by import restrictions or (more commonly) by inter-governmental agreements limiting deliveries from the exporting countries. In general, however, the major importing countries have not merely resisted the temptation to increase protective barriers remarkably well, but have doggedly pursued the broad principle of freer international trade in successive rounds of tariff and non-tariff negotiations in Geneva.

Italian snag

The current round of talks in the framework of the General Agreement on Tariffs and Trade (GATT), the so-called Tokyo Round, is now within sight of a conclusion after many years of argument. Until the agreement has actually been finalised, there remains the possibility of a serious hitch; the Italians, for example, have withheld agreement over a clutch of detailed issues, and this may prevent the initialling which is scheduled for next Wednesday. But even if there is a risk of further delay, it is already possible to take a view of most of the elements of the new trade package deal.

Import tariffs will come down substantially, by an average of 30 per cent, and while the European Community has made only moderate progress in its aim of tariff harmonisation, it has secured a significant reduction in the number of product lines which are subject to very high tariffs in Japan and the U.S.

Over the years, however, conventional tariffs have become a relatively less important factor in the protection of national industries. During the 1970s, currency fluctuations have been far greater than the average tariff levels of many countries; during the past two years, most British exporters to the U.S.

must have been much more concerned by the gyrations of the sterling-dollar exchange rate than by U.S. import tariffs. Secondly, the protective effect of non-tariff barriers (industrial standards, anti-dumping rules and so on) has become progressively more evident with every step in the negotiated reduction of the tariffs themselves, like rocks emerging through a receding tide.

Some progress has been made on NTBs. There will be new codes on customs valuations, on subsidies, on government procurement, on import licensing and on technical barriers, even if some countries decline to adhere to all these codes. The big setback has been the collapse of negotiations over a new safeguards clause, because of unresolved differences between the European Community and the developing countries.

Ever since the end of the Kennedy Round, it has been clear that a new safeguards clause was necessary to replace Article XIX of GATT. In particular, the Community wanted a flexible safeguards clause which could be invoked selectively against individual exporting countries, and not right across the board as under Article XIX. The principle of selectivity has been reluctantly conceded by the developing countries; the real problem arises with trade imbalances which are intrinsically global rather than selective. The European Commission has started to make very threatening noises about the Japanese overall trade surplus with the EEC, and this is by definition something which a selective safeguards clause is ill-designed to cope.

Imbalances

If Governments in the old industrialised countries can continue to contain within limits the protectionist forces facing them, the breakdown of this chapter of the GATT negotiations may not be a disaster. Indeed, there is a school of thought which holds that Article XIX can be interpreted to sanction selective safeguards. The real problem arises with trade imbalances which are intrinsically global rather than selective. The European Commission has started to make very threatening noises about the Japanese overall trade surplus with the EEC, and this is by definition something which a selective safeguards clause is ill-designed to cope.

A PROSPECTIVE agreement for the sale of West German nuclear technology to Argentina threatens to open up a new rift between the U.S. and Germany on the sensitive question of nuclear proliferation in Latin America.

The direction and credibility of the U.S. administration's non-proliferation policy is at stake, as is a sizeable chunk of orders for the German nuclear power industry, and the military and commercial balance of power in Latin America.

West Germany is emerging as an increasingly important economic and political influence in the region, challenging the traditional dominance of the U.S. The German interest is demonstrated by the tour of Brazil, Peru and the Dominican Republic, begun on Tuesday by Herr Heimir Schmidt, the Chancellor. It is the first official visit to Latin America ever paid by a West German chancellor.

Under the deal with Argentina, which has not yet been finalised, German companies look likely to supply Argentina with its third nuclear power station together with a plant to manufacture heavy water, a key element in the natural uranium-based nuclear technology embarked upon by the Argentinians.

Controversy arises from Argentina's refusal—along with its neighbours, Brazil and Chile—to sign the Nuclear Non-Proliferation (NPT). Although it has declared that the technology it wants to buy would be used only for peaceful purposes, Argentina, whose high level of nuclear expertise is matched in Latin America only by that of Brazil, has followed a deliberate policy of keeping its options open on the eventual production of nuclear arms.

The U.S. has raised no objections to the power station. But it has asked the Germans not to supply the heavy water plant, which is on the list of "sensitive" nuclear technologies drawn up by 15 nuclear supplier countries, among them Germany. The U.S. maintains that the plant would give Argentina virtual independence in the nuclear fuel cycle, and would significantly increase its capability to make nuclear weapons.

The German Government has thus to steer a middle course between avoiding discord with the U.S. and safeguarding the Federal Republic's commercial interests. Germany is trying to find out whether the Argentinians would accept the power station alone, or would accept some U.S. involvement in the plan for heavy water production. But it is uncertain whether the Governments can agree on separating the two parts without scuttling the whole deal.

At the back of everybody's minds there is the controversial German-Brazilian nuclear agreement of 1975, a central theme of Herr Schmidt's talks with the Government in Brasilia. A communique after the talks said that both parties intended

to leave the agreement unchanged. The agreement, under which Germany contracted to supply Brazil with the first complete nuclear fuel cycle ever to be sold to a developing country, exposed strong differences between Bonn and Washington about nuclear proliferation. At the same time it worked wonders for Germany's commercial image in parts of the developing world by establishing the Federal Republic's willingness to take a line firmly independent of the U.S. over the question of transferring advanced technology.

The U.S. exerted strong pressure to amend the deal on the grounds that—despite extensive safeguards built into it in partnership with the International Atomic Energy Agency (IAEA)—it would give Brazil the eventual capacity to build a nuclear bomb.

The U.S. gave up its open opposition to the agreement when both the Germans and the Brazilians refused to budge. A legacy of disapproval, however, persists. It was one of the main factors behind the tensions that emerged between Bonn and Washington last year over the new U.S. nuclear non-proliferation act, which toughened safeguards for the export of enriched U.S. uranium.

Kraftwerk Union, the German power station manufacturer (now owned by Siemens) which sold Argentina its first nuclear power plant in 1968, is particularly anxious to clinch the order for the 600 MW power station, worth some \$500m, to be built near the first one at Atucha. The German contractor to build the heavy water plant, valued at over \$300m, is a Hoechst subsidiary, Ude, possibly in conjunction with Sulzer, a Swiss company.

Temporary closure

Argentina plans to have a total of six nuclear plants operating by 1997, and the Germans hope that the deal will open the way for further contracts—which KWU badly needs as it is hard pressed by the temporary closure of the domestic market for P-n plants. Another sizeable incentive for the Federal Republic is Argentina's offer of access to its substantial uranium reserves.

The Argentine atomic energy commission (CNEA), ever since it was set up in 1950, has stressed that the goal is nuclear self-sufficiency. The proposed 250-tonnes-per-year heavy water plant, something far bigger than the Argentinians could build with their own present resources, is a logical step in that direction.

The CNEA decision in 1968 to opt for natural rather than enriched uranium reactor technology has enabled Argentina to make direct use of its uranium reserves without relying on outside supplies of

The nuclear rivalries in Latin America

BY DAVID MARSH



enriched uranium. Considering the switch in U.S. non-proliferation policy in the mid-1970s towards greater controls on export of U.S. enriched uranium, the CNEA has had good reason for self-congratulation on its foresight.

The choice of natural uranium has also been sounder in economic terms than building up Argentine uranium enrichment capacity. The Brazilians are understood to be perturbed by the \$70m cost of the enrichment plant which will be assembled under their deal with Germany.

Possession of its own heavy water plant would free Argentina from dependence on its present suppliers in Germany and Canada. The U.S. fears that this, combined with Argentina's own uranium reserves and well-developed plutonium separation techniques, would give the country all the facilities within its own boundaries required to make plutonium.

That apprehension is shared by Canada, which has tightened safeguards on exports of nuclear equipment since India five years ago succeeded in setting off a nuclear explosion after importing technology from Canada. Atomic Energy of Canada Limited (AECL), in a consortium with the Italian NIRA and General Electric of Britain, is the only other contender to build the power plant in the closed tender put out by the Argentinians. But AECL has said it will not sell Argentina the requested facilities unless Argentina either signs the non-proliferation treaty or puts into effect full scope safeguards on its nuclear activities.

Full scope safeguards, the undertaking accepted by all

signatories of the NPT, commit states to agree with the IAEA on a comprehensive set of safeguards on all their nuclear activities, both present and future. All known Argentine nuclear installations are covered by individual safeguard arrangements with the IAEA. Germany would probably accept similar bilateral agreements being concluded to supervise the equipment now under discussion.

But this sort of case-by-case safeguard system does not go as far as the Americans and Canadians would like. Their view is that only full scope safeguards approach—with the key provision that future independent nuclear activities would also be subject to strict international supervision—would provide a cash for assurance that the country did not plan at some future date to adapt its command of nuclear technology to producing weapons.

The technology involved in the Argentine deal is not so high on the sensitivity scale as that which will be supplied to Brazil. Germany agreed to sell to the Brazilians not only up to eight light water (enriched uranium) nuclear power plants, but also uranium enrichment and reprocessing facilities, which provide a direct route to potential bomb-making materials.

Heavy water in itself does not provide that direct route. Its function is to moderate the neutron flux in a natural uranium reactor in order to let the fission of the uranium-238 isotope go ahead. In enriched uranium reactors it is the break-up of the uranium-235 isotope which precipitates the chain reaction. Plutonium is formed as a by product of the fission

process in both types of reactor. But despite this difference in the technologies, the military implications of the Brazilian and Argentinian deals are similar.

Independent development has given Argentina considerable technical expertise in areas like uranium ore processing, fuel element fabrication and radiation techniques, and also in the militarily significant technology of reprocessing, by which plutonium is separated by chemical means from spent uranium left over after the fission process.

Argentina had a laboratory-scale reprocessing plant, operating outside IAEA safeguards, in use until the mid-1970s. It is now building a new larger pilot plant at Evaiza. The completion date has been the subject of conflicting statements from Argentine politicians and officials, with some reports saying that it will be ready as early as next year, others towards 1980.

The commercial justification of the costly and technically difficult process is that plutonium can be recycled, mixed with uranium, as a more efficient fuel for existing plants, and will become even more useful as a fuel when and if fast breeder reactors come on stream. But plutonium can also be used to make bombs, which is why the U.S. is particularly worried that Argentina has succeeded in developing the technique independently.

The U.S. can hardly fail to be struck also by the commercial implications if Argentina succeeds in buying a commercial heavy water plant. Argentina emerged fairly early on as a potential nuclear supplier in

the region. It has concluded bilateral nuclear agreements with Bolivia, Chile, Colombia, Paraguay, Peru, Uruguay and Venezuela. In 1977 it became the first Latin American country to export nuclear technology when it agreed to supply Peru with an experimental 10 MW reactor.

There is no doubt that Argentina would like these countries eventually to adopt a natural uranium/heavy water technology for their commercial reactor programmes. With its own heavy water plant, Argentina would then be top dog in a Latin American natural uranium "club," capable of supplying heavy water, fuel and equipment to the other nations.

It seems highly unlikely that either Argentina or Brazil in the foreseeable future will accede to the NPT. Their fundamental objection is that it discriminates against a non-nuclear weapons states by shackling their full development of the nuclear fission process. U.S. policy makers have therefore been focussing attention on a regional method of restraining nuclear development which might be more politically acceptable to both states. The mechanism already exists—the treaty of Tlatelco, of 1967, which establishes, on paper at least, a nuclear free zone in Latin America.

The treaty goes one step further than the NPT in one important sense. Not only does it require participants in the basic treaty to assist from developing nuclear weapons, but it also contains two additional protocols—designed for signature by states with territorial interests in the area and by the big nuclear powers—to prevent use or deployment of nuclear weapons in Latin America by any other outside country.

Most Latin American republics are parties to the treaty. But four of the five that are not are militarily important—Cuba, which has not signed for fundamental political reasons, Argentina, which has signed but not ratified, and Brazil and Chile, which have both signed and ratified but have stated that they will not be bound by the treaty until all the potential signatories have put it into effect.

Recent moves by the U.S., Soviet Union, and France to implement the two additional protocols may improve the climate for Argentina and Brazil to apply the Tlatelco treaty.

However, all efforts by the U.S. or anyone else to get Latin America's potential nuclear powers to agree proliferation curbs are overshadowed by the refusal of Argentina and Brazil to make any step in this direction unless the other does the same.

Regardless of what happens to the German-Argentine deal, this basic impasse will have to be broken if the next few years unless the U.S. policy of curbing the spread of nuclear arms is to founder in an area which the U.S. used to consider as its own backyard.

MEN AND MATTERS

Counting the cost of crying wolf

The Food and Drink Industries Council admits in its latest bulletin that it acted in "exactly the wrong way" during the lorry-drivers' strike in January by "shouting loud and long." As was remarked in this column at the time, biscuit-makers in particular were quick to forecast that the strike would empty supermarket shelves and cause public hardship.

The council now confesses that these tactics "convinced the strikers... that they had the whiphand." This view is held, it may be assumed, by Sir Hector Laine, retiring chairman of the council and head of United Biscuits.

The victory of the lorry-drivers drove a major breach through the 5 per cent pay policy. The bulletin suggests that the food and drink industries would have been wiser to say that the effects of the strike and secondary picketing were "minor and not really to be much bothered about." It concludes: "Might it not even have resulted in a lower settlement?"

Tory tune

Already filing five dense inches in the current Who's Who, Professor Douglas Hague acquired another line for next year's edition when he was yesterday named personal economic adviser to Margaret Thatcher.



"Let's open the champagne—don't think we're going to need it for the ships"

to exchange a few words with him yesterday reports that the 52-year-old professor was happily denouncing "too much government and too much intervention" and saying how fervently he agreed with Thatcher.

In short, the Hague approach holds, it would seem, few surprises! "We need to get people acting for themselves. Cutting taxes and restoring incentives will get the economy alive again." Hague will have ample opportunity to apply fine tuning to these familiar Tory war-cries. Apart from advising Thatcher on economic developments during the campaign, he will also be writing some of her speeches. Given that the professor is backing a winner, it is tempting to speculate on what glittering prize may be offered him after the election. Being head of the "Think Tank" might appeal to him, should he have the time, or a position as a specialist economic adviser, or perhaps chief economic adviser to the Treasury (the present holder of the post, Sir Fred Atkinson, is due to retire at the end of this year).

ever, Hague can always console himself with his favourite activities—church organs and watching Manchester United.

Followed around

Pressure from the new revolutionary government in Iran has successfully driven the Shah first from Morocco and most recently from Egypt. I learn that the supporters of Ayatollah Khomeini are now bringing their diplomatic guns to bear on his latest refuge, the Bahamas.

This is part of their bid to bring him back to Iran to face trial.

In this respect, Britain is relieved that the government in Nassau is now fully independent from London, but the island membership of the Commonwealth is proving a slight difficulty. Tehran believes that if the Queen of England is also Queen of the Bahamas, Britain can hardly claim to be uninvolved.

It seems that informal enquiries from Iran have so far met with suitably intellectual responses. The historical argument compares the Queen with Charles V. King of Spain and Austria, who was not directly concerned with one country when living in the other.

Sage at the Ritz

The man they call Japan's Graham Greene was in the Ritz Hotel, London, yesterday—behaving in a manner I found fairly unbecoming. Shusaku Endo chain-smoked through the interview, although he had one lung removed. "Lung cancer occurs because people have

me who has only half as many lungs as the ordinary person should be able to smoke twice as much, don't you think?"

It is the kind of remark which might be made by one of the more desperate characters in a Greene novel. Yet, in every other respect, Endo is as neat and confident as any Tokyo banker. He can afford the confidence: one of his books has sold 800,000 copies in Japan and the others seem to be nearing the half-million mark.

Now in his middle fifties—and a Catholic, as is Greene—he looks back nostalgically to the values of pre-war Japan. Does he compare himself with the nihilist who writes Yukio Mishima, who committed harakiri? "Definitely not, he was a feudalist."

Endo is here for the publication by Peter Owen of his latest novel, "When I Whistle." He also hopes to see Greene in France.

Although he feels modern Japan has lost its love of nature, he does not shy away from progress. "We must have nuclear power, because Japan has no domestic energy sources. But technology is for human beings, not for itself." Pleased with this aphorism, he lights another cigarette.

Endo most enjoys talking about religion and the part a modified Christianity could play to soften Japanese life. His "Life of Jesus" after selling 400,000 copies in his own language, has recently won a Polish literary prize.

Safety first

From Prague comes the story of two strangers who were admiring a shiny new car in Wenceslas Square. "You've certainly got to hand it to the Russians," one said. "Don't be ridiculous," said the other. "Don't you know an American car when you see one?" "Of course I do," said the first "but I don't know you."

Carrots can make you blind.

Whether you're seeking development sites, new factories or new offices, it's easy to be wooed into the wilderness. When the tempting inducements have dried up, where will you stand?

The road to Swindon isn't paved with gold. All we promise are superb communications by land, sea and air. Superb amenities. Guaranteed housing for your key personnel.

A substantial pool of labour and first class local training facilities. In a nutshell, the perfect backdrop for continuing business growth.

And that, you may agree, is the only incentive really worth having. Over 300 companies are already with us—and there's plenty of room for more.

Whatever your business needs, contact: The Industrial Adviser, Civic Offices, Euclid Street, Swindon SN1 2JH. Tel: (0795) 26161. Telex 44833

SWINDON

has incentives no government can offer.



مكتبة

Mrs. Thatcher's Cabinet candidates

WHAT WOULD Mrs. Thatcher's Government look like if the Tories were to win the election? The answer is almost certainly that nobody yet knows, including Mrs. Thatcher herself. It is the sort of thing that she will be writing down on the back of an envelope during the campaign and would only finally resolve once she knew that she had won, and by how much.

But there are a few indications to go on, as well as a few unresolved problems. There can be no great harm in speculating while waiting for the campaign proper to begin.

Mrs. Thatcher may seem radical, even ruthless, in her policies, but she has shown herself remarkably conservative in her habits. It was a dramatic act to stand against Mr. Heath for the leadership and it was a clue to her thinking that, when she won, she gave overall responsibility for policy and research to Sir Keith Joseph, a position which he has retained ever since. Four years later, however, she was not exactly transformed the Conservative front bench.

Mrs. Thatcher's "Shadow Cabinet"—or, to be accurate, the Leader's Consultative Committee—still contains at least three senior members who held the same position under Mr. Heath. Mr. James Prior is still shadowing employment, Sir Michael Havers is still the law spokesman, and Mr. Humphrey Atkins is still the opposition chief whip.

It is also notable that where Mrs. Thatcher did make changes at the start she has tended to stick with them. Sir Geoffrey Howe has been shadowing the Treasury from the beginning. It is the same with Mrs. Sally Oppenheim on consumer affairs, just as it was with Mr. Airey Neave on Northern Ireland until his appalling death last

week. Sir Ian Gilmour has been shadowing defence for almost as long.

The one great exception was the dismissal of the late Mr. Reginald Maudling as Shadow Foreign Secretary. But in general, as far as appointments are concerned, Mrs. Thatcher as leader of the Opposition has behaved much like Mr. Callaghan as Prime Minister. She has made changes in the team only when obliged to do so—by death, sickness or resignation. Even then the changes have been minimal and appear to conform to no particular ideological pattern.

There was some surprise last autumn when Mr. Mark Carlisle was appointed education spokesman without any very obvious qualifications for the job. But again Mrs. Thatcher kept the reshuffle as small as possible. She had been forced to do something by the illness of Mr. John Davies at foreign affairs, so she replaced Mr. Davies with Mr. Francis Pym and gave Mr. Pym's old job as shadow Leader of the House to Mr. Norman St. John Stevas, who was an obvious choice both as a skilled performer and as a constitutional historian.

The best explanation one has heard of why she filled the gap left at education with Mr. Carlisle is that he had spoken up for her at a time when she was under criticism from Tory left for her remarks on St. John Stevas, a man who was himself suspected of being liberal; this support was welcome and was judged worthy of reward when the opportunity arose.

One reason why there have not been more radical and more frequent reshuffles may be that a general election was always in the offing. There was always the danger that front bench spokesmen new to their jobs



PETER WALKER... energy or trade



SIR GEOFFREY HOWE... choice for Chancellor



EDWARD DU CANN... why not agriculture?

would have to fight an election campaign before having read themselves in. But there also seems to be an element of caution.

A similar cautiousness can be seen in her attitude to Government Departments. If the Tories do win the election, it seems unlikely that there would be any dramatic changes in the structure of Government, at least at the start. Even recent reports that the Departments of Trade and Industry would be merged are now dismissed as premature. The "think tank"—or Central Policy Review Staff—would be kept. There might be a feeling that nearly all Departments should be trimmed, but there is no questioning the basic machinery.

Yet, as polling day approaches, it must be clear that there are some problems of personnel and portfolios that are far from being resolved.

Forming a Cabinet is quite different from getting by with the shadows. There is the question of Mr. Heath. Would he serve? There is the vacuum left by the death of Mr. Neave, who would almost certainly have been Mrs. Thatcher's man in Northern Ireland. There is the position of those leading Conservatives who have not had a place in the Leader's Consultative Committee, but who would have a strong claim to a place in a Tory Cabinet—Mr. Peter Walker, Mr. Edward Du Cann, and perhaps Mr. Geoffrey Rippon. There are others who have been close to Mrs. Thatcher, but who have not always had a shadow portfolio. Mr. Nicholas Ridley, Mr. Angus Maude and Mr. John Biffen come to mind. There is the case of Mr. Atkins, who has been chief whip long enough to expect something better. Not least, there must be a question mark over agriculture since Mr.

John Silkin has shown what can be done with the job, at any rate in terms of publicity.

Mr. Heath's position is still uncertain. Not so long ago Mrs. Thatcher had the bright idea of offering him defence. It had the obvious attraction of allowing him to set on with an important job without obliging him to sit under the Leader's wing at (say) meetings of the European Council. Now it appears that Mr. Heath has indicated that he would accept only the Chancellorship. It is an impossible position and he must know it. Not only is his current economic philosophy quite incompatible with that of Mrs. Thatcher; it has become almost inconceivable in recent months that the office of Chancellor of the Exchequer would go to anyone other than Sir Geoffrey Howe.

That, then, is one post filled—even if Mrs. Thatcher intends to

overlord it herself. Until recently, it also seemed that Mr. Francis Pym was a safe bet for the Foreign Office, although Lord Carrington was a declared contender. The death of Mr. Neave may have changed all that. Clearly the task of Secretary of State for Northern Ireland is an important one, perhaps more so now than ever. It is also one that no good Tory could turn down if offered. Duty, if not noblesse, would compel acceptance. That would apply to Mr. Pym, who served there briefly at the end of the Heath Administration. But might it not be an even better idea to offer it to the liberal Lord Carrington? After all, there could be very little wrong with giving a senior Cabinet post to a Lord if he has to spend most of his time in Stormont. An outside bet would be Mr. Atkins, though he is said also to have his eye on defence.

Let us assume that the next round of calculations is the conventional one. Mrs. Thatcher puts Mr. Whitelaw in the Home Office, Sir Ian Gilmour being regarded as altogether too liberal. Mr. Prior stays with employment if only because he has been there so long that he has become a sort of symbol of one particular strand in Tory thinking. Besides, his removal would excite speculation about the significance to be attached to it.

For rather similar reasons Sir Keith Joseph stays with industry. To appoint him Chancellor of the Duchy of Lancaster, for example, would only encourage the belief that he was the real eminence grise behind a Thatcher Government. It would not be worth the effort, especially as he could continue to advise Mrs. Thatcher from any post whatsoever.

Some other appointments fall easily into place. Mr. Nicholas Edwards gets Wales, provided

that he holds his seat. Mr. Teddy Taylor gets Scotland rather than the devolutionist, Mr. Alick Buchanan-Smith. (It would be a major surprise if it were the other way round.) Lord Thorneycroft is persuaded to join the Cabinet without portfolio, at least for a while, because of his position as an old and trusted adviser.

But it is at this stage that the calculations become more difficult. What about those rising stars, favourites and outsiders who need to be brought in somewhere? And what about those sticky posts such as agriculture? Mr. Peter Walker has to come in, especially if Mr. Heath is out, but it is beginning to look as if there are not enough senior posts to go round. Someone will have to be dropped. Mr. Tom King, the present energy spokesman, looks vulnerable and nice Mr. John Peyton, at agriculture, might not be capable of taking on his European counterparts in the manner of Mr. Silkin.

Rising star

That frees two posts. Mr. Walker could go to Energy. Better still he could go to Trade. Mr. John Nott, the rising star who has been shadowing the post, could become Chief Secretary to the Treasury. But that still leaves Mr. Du Cann and Mr. Biffen, and the posts of Chancellor of the Duchy and Agriculture are still open. Mr. Biffen is a candidate for both posts. He is, in effect, shadow Chancellor of the Duchy at the moment. But he is also somewhat sceptical of Europe and has experience of farming. On reflection, he seems better suited to take over the role Mr. Harold Lever plays at the Duchy in the present government. He could

have responsibility for small businesses, give general economic advice and instead of going round reassuring the City that the Government is sound at heart, he could reassure the trades unions.

Yet could one risk giving agriculture to Mr. Du Cann? He is not a European. In the House of Commons on Tuesday he stood up and effectively out-Silkined Mr. Silkin. On the other hand, his stature in the House is considerable. He is also a patriot. The alternative might be Lord Soames, but he is regarded by sections of the party as a soft touch for the French and Germans and anyway there are too many Lords. So why not Mr. Du Cann?

Problems remain. No senior place has been found for Mr. Nicholas Ridley. The question of defence has not been resolved. What if Mr. Heath were to change his mind? What if Lord Carrington preferred to retreat to Rio Tinto Zinc if he could not become Foreign Secretary? There are also no bright young faces, despite an able up-and-comer generation on the Tory benches.

It is at this stage that one realises that the process of Cabinet-making is not only difficult, but nearly impossible. It is much easier to settle for the resources available almost in their present positions and go along by trial and error. Assuming there is a Thatcher Cabinet Mark 2, a Thatcher of cabinet Mark 2, bringing in the second generation, could look very different. Yet one cannot help thinking that one has heard that sort of thing before. Politics does not change very much, except, perhaps by accident.

Malcolm Rutherford

Letters to the Editor

Sinking fast

From the president, Hampton Roads Energy Company

Sir—The article by Ray Dafter (March 18) entitled, "The tangled web of controls," tells the "sad story" of what is happening in America. We are talking down Britain's road—our fact we are surpassing you because our productivity is now lower than yours. In his article, Ray Dafter referred to remarks by Bob Yancey, president of Ashland Oil—we are "the would-be refiner," who has spent nine years and \$5m trying to get permits to construct a new refinery in Virginia.

We, in America, are committing hari-kari via idiotic environmental laws that have us locked into "no growth" while doing little, if anything, to clean up our "nest." In fact, our refinery would have been producing clean, low-sulphur fuels and unleaded gasoline (both are in short supply here) if our refinery had been built six years ago. Actually, our environmental problem is "smog"—caused, in our case, by nature (methane from the adjacent Diesel Swamp and automobile emissions). The automobile is sacrosanct and untouchable by the politicians, and it continues to gulp up increasing volumes of gasoline. These volumes will have to be imported more and more, and our balance of payments will get worse while foreign aid will skyrocket for the Middle East peace. We will soon be looking to Europe for energy and for a "Marshall Plan" for America, so hurry up and find more oil.

John K. Evans, Suite 915, 1010 Vermont Avenue, Northwest, Washington, D.C.

May I suggest that the educationists consider the provision of incentives to secure earlier release from such a sentence? If a student can achieve an industrially acceptable standard of literacy and numeracy, and at least one useful skill, or employment to go to, should he or she not be allowed to leave? After all, an educational system exists to which students can return in order to change skills to industrial demand alters, or as they themselves develop.

May I suggest too that incentives are provided to attract teachers of top quality to schools with a bottom quarter potential? By that I do not mean those with top academic qualifications; no, throw those to the bright ones who require little more than guidance. The bottom quarter desperately needs all the imagination, drive and talent that there are—and if high pay, or special conditions of work, will get them where they are wanted, it should be offered to them.

Otherwise we are providing society with a dangerous substratum of wasted lives.

M. E. D. Biggs, Farnaby's, Elgin Road, Weybridge, Surrey.

2—OPEC imports will again rise to match increased receipts from oil price rises—surely OPEC countries are pushing up prices because (inter alia) they want to be able to put aside savings for the proverbial rainy day when the proverbial goose ceases to lay golden eggs and oil resources are exhausted. Not all will be spent so further oil price rises cannot be regarded with bland ivory tower equanimity.

3—Discriminating against the Japanese means greater export potential for other countries—truisms are perhaps the Cambridge school's forte, but this one does not need reiterating.

I do not reject the Cambridge school out of hand, nor deny that competent academics, econometricians and practical or "applied" economists abide therein. But turning arguments on their head, as Mr. Brittan puts it, whether the dollar shortage one, or prescribing import controls and domestic inflation instead of devaluation and domestic deflation, is surely unproductive—the counter-arguments are already there, and theoretical perversity of no substitute for empirical realism.

M. L. H. Macmillan, 37, Rylett Road, London, W12.

enormous peak demands on the auditing profession and the Inland Revenue would probably not wish to have a seasonal concentration of taxable profit computations.

Perhaps an acceptable alternative would be for all quoted companies to have an accounting year ending with either March, June, September or December and that they should publish unaudited interim accounts in summarised form each quarter. In this way government department, financial analysts, economists, investors, trades unions and others could have a regular flow of up-to-date information on a large segment of the UK economy.

Henry A. V. Wilson, The Spinney, Beaconsfield, Bucks.

Premium relief

From the Secretary General, The Life Offices' Association.

Sir—In his letter (March 31) Mr. W. Jaspert suggested that under the new system of granting life assurance premium relief all policyholders should have been offered the alternative of continuing premium payments as before and in return receiving bigger insurance cover.

Apart from the fact that the legislation introducing the new system did not make provision for offering the alternative of higher sums assured except in the case of some industrial branch policies, the life offices would have been faced with extensive administrative difficulties and costs in offering policyholders a choice as suggested. Michael Oppé, The Life Offices' Association.

Farmers have a case

From The Viscount Trenchard

Sir—I note the letter from the president of the NFU Mr. Richard Butler (March 30). There is a tendency among many of us who are not farmers to discount their warnings. This has been the greater because of the universal desire to reduce inflation. I believe we must now heed them.

Regrettably this country has very few "strong suits." Where in industry, our productivity lags further behind our competitors, in agriculture, it is still well above the average of the EEC. I say still because the EEC is now shedding farm labour at a much faster rate than we are. For instance Germany has shed 34 per cent of those working on the land in the eight years ended in 1976. They are catching up behind the protection of a subsidy level through Monetary Compensation Amounts and the green pound, which has averaged 30 per cent of price over recent years.

It is confirmation of efficiency that this has not destroyed our agriculture, but the bank lending figures to farming support the simple arithmetic that shows that the 3 per cent green pound devaluation is not enough. Of course in many commodities, damage will take time—even years—to show up, but by then it could be irreparable.

I think it is probable that on a fair competitive basis since UK accession, our agriculture and processing industries could have saved between £500 and £1,000m per annum through increased shares of our own

market for temperate foods and through some extra exports. Why have we missed and are still ignoring this opportunity? The answer, of course, is short-term food prices and the battle against inflation. For a year or two this was, of course, justifiable but we have now half thrown away an opportunity to expand one of the very few areas where we are competitive.

I can now hear the cries of some readers about EEC prices being too high and surplus too large. My answer is that, had we given agriculture a fair competitive opportunity to expand, EEC prices would by now have been forced down. The first principle of the CAP, to allow production to rise in low cost areas and to decline in high cost areas, would have been forced into operation. Social measures to assist small French and German farmers would have had to be developed. The NFU is not asking for current EEC price levels or anywhere near them.

British consumer interests lie in supporting a much larger opportunity for British farmers. They should beware of certain slightly spurious statistics of world prices and availabilities at the bottom of the usual commodity cycle. In 1974 and 1975, we probably got our food cheaper as a result of EEC membership. There are things which need to be changed in the CAP. They will be changed earlier with a little diplomacy and with a fairer trading opportunity for our farmers to expand and force change in keeping with the main principle of the CAP.

Viscount Trenchard, Abdale House, North Mymms, Hatfield, Herts.

Rented sector

From the Chief General Manager, The Abbey National Building Society

Sir—May I reply very briefly to Mr. Cutting (April 4) concerning my proposal that building societies operate in the rented sector?

He may be right that societies will ultimately seek some relief from Rent Act restrictions, but I repeat that this may not be essential. Continuity of tenure would not necessarily constitute an obstacle to their purpose, and in regard to "fair rents," we would expect to manage on the same basis and at least as well as Housing Associations.

C. E. L. Thornton, Abbey House, Baker Street, NW1.

Accounting alternatives

From Mr. Henry A. V. Wilson

Sir—I am very much in agreement with Mr. E. Prodhan's suggestion (March 27) that all UK companies should have a common accounting year. However, there are practical difficulties, as it would create

Cambridge arguments

From Mr. M. L. H. Macmillan

Sir—I refer to the recently published Cambridge Economic Policy Review and must agree with Samuel Brittan that the Cambridge method of analysis is "profoundly misguided"—and consequently their conclusion awry.

May I challenge one or two specific points not mentioned by Mr. Brittan in his article (March 29), and which apparently form part of the Cambridge thesis?

1—U.S. deflation at home combined with import controls will solve unemployment and the deficit—Cambridge "structuralists" should realise that modern economic theorists (Leijonhuvud, Clower and others) have substantive arguments against the feasibility of governmental deflationary measures in modern economies where the classic "responses" may not be there. "Liquidity traps" and structural inflexibilities combined with domestic deflationary monetary/fiscal measures equals stagnation. domestic stagnation equals less export competitiveness and more imports.

Lorry weights

From Mr. M. D. Redler

Sir—Before the Government inquiry into lorry weights becomes too involved, would someone please state how much it is going to cost to strengthen roads to carry the extra weight of 44-tonne lorries? In areas like Cheltenham, where the roads rest on wet clay or sand for much of the year, even existing lorries appear to the inexperienced eye to be much too heavy for the road surfaces and the sewers and other pipes beneath them.

Furthermore, when the shocks of lorries passing over bumps or pot holes can already be felt occasionally in houses 150 metres away, who is going to protect the householder and pay for the damage?

M. D. Redler, 3, Winney Court, Western Road, Cheltenham.

Dangerous waste

From Mr. M. E. D. Biggs

Sir—Your Education Correspondent sees... the destiny of the bottom quarter (of the school population) as the most intractable problem lying before education. Quite right; and it is not much to the credit of the theorists and careerists in education that it is so. Can they not understand why "school" to the "bottom quarter" often feels like an educational sentence until the year they are 16, and that their greatest fulfillment is to escape?

Today's Events

GENERAL

UK: Mr. David Steel, Liberal Party chairman, opens Liberal Trades Union conference, Blackpool.

Mr. Len Murray, TUC general secretary; Mr. Tom Jackson, Union of Post Office Workers general secretary; and Mr. David Ennals, Social Services Secretary, launch "Good neighbour campaign," Congress House, London.

London Transport engineering staff talks start.

Association of British Chambers of Commerce annual conference discusses trade unions, and small businesses; Sir Freddie Laker, chairman of

Laker Airways, speaks at lunch, Royal Garden Hotel, London.

Small Veterinary Association Congress opens, Cunard International Hotel, London (until April 18).

Design Council statement on 1979 awards to British motor industry.

Sir Kenneth Cork, Lord Mayor of London, attends 50th anniversary dinner of the Cocoa Association of London, Mansion House.

Antiques Exhibition opens at Bristol Museum (until May 5).

Birmingham Motor Show opens at Bingley Hall (until April 17).

Duke of Edinburgh is reviewing officer at Sovereign's Parade, Royal Military Academy, Sandhurst.

Overseas: Mr. Sunao Sonoda, Japanese Foreign Minister, has meetings in Washington with Special Trade Representative Strauss, Secretary of State for Foreign Affairs Vance, Defence Secretary Brown and Energy Secretary Schlesinger, in preparation for June Tokyo summit.

Noon deadline for Mr. Connie Mulder to recant allegations against South African Cabinet Ministers said to be involved in Ministry of Information scandal.

COMPANY RESULTS

Final dividends: Firmin and Sons, F. Miller Textiles, Pearl Assurance Company, Scottish Television, Unicorn Industries, E. Upton and Sons.

COMPANY MEETINGS

British American and General Trust, 30 Fenchurch Street, EC, 11.30. London Investment Trust, 96-98 Marsham Street, SW 10.30.

LUNCRTIME MUSIC, London

Recorded music by Mahler at Holy Sepulchre, Holborn, 1.15. Piano recital by Luc Devos at St. Martin-within-Ludgate, 1.15.



"A Nationwide Capital Bond pays us guaranteed extra interest every month."

You've got some capital, but don't want to spend it. Put it to good use. Invest in a Nationwide Capital Bond where your capital is guaranteed to earn extra interest above our prevailing Share Account rate.

You can invest any sum between £500 and £15,000 (£30,000 for a joint account) and leave it for 2, 3 or 4 years. A 2 year Nationwide Capital Bond pays 1/2% extra interest above the ordinary rate. A 3 year Bond pays 1% extra interest. The 4 year Bond pays most of all—1 1/2% extra.

And with the current issue of Capital Bonds you can have your interest paid monthly.

There are over 830 Nationwide branches and agency branches. Call at the one nearest you, or post the coupon.

Extra 1/2% interest for 4 years	9.50%	14.18% GROSS
Extra 1% interest for 3 years	9.00%	13.43% GROSS
Extra 1 1/2% interest for 2 years	8.50%	12.69% GROSS
Share Account	8.00%	11.94% GROSS

To: Nationwide Building Society, FREEPOST, London WC1V 6XA.
I wish to invest the sum of £..... to be invested as indicated.

PLEASE TICK BOXES
1. Interest paid monthly
2. Interest paid at end of each month
3. North withdrawal from Capital Bonds only in event of holder's death
4. In a Nationwide Share Account
Interest to be compounded, or paid half-yearly

Nationwide Building Society

Full Name(s) _____
Address _____
Date _____ F16

It pays to decide Nationwide

Head Office, New Oxford House, High Holborn, London WC1A 1PW. Funds raised £12,550 million. Authorised for investment by the Secretary of State. Member of the Building Societies Association.

UK COMPANY NEWS

GKN reaches £87m but UK motor profits hit

WITH SECOND half profits showing an increase from £31.5m to £45.3m the total pre-tax balance of Guest Keen and Nettelfolds, the steel group, has reached £87.3m in 1978. This comes close to the record £88.5m achieved in 1976 and compares with £72.3m for 1977.

The directors report that market conditions in the second half showed little improvement on those of the first six months. Throughout the year there was a general lack of buoyancy in the steel, automotive and building and construction sectors.

Although automotive component sales in Europe improved as the year progressed, the UK automotive companies, hampered by industrial unrest, fell well below their first half performance.

As regards the current year the directors state that the general trading environment shows little sign of being significantly different from that of 1978 and the opening months of the year have seen a high level of industrial disruption in the UK.

They point out that in the last 12 months the group has been moving towards a more concentrated organisation based on main business areas which will provide a firm base for future growth and profitability. This has involved the disposal and closure of a number of activities unrelated to the planned strategy.

External turnover in the year showed a rise from £1.6bn to £1.75bn. The trading surplus was higher at £96.3m compared with £83.1m and this was after a total depreciation charge of £61.4m (£56.8m), which included an additional £19.9m (£19.5m) for depreciation.

Total exports from the UK rose to £225m (£203m) despite difficult market conditions

HIGHLIGHTS

GKN has pleased the City with results usefully above expectations. Lex discusses the company's good performance overseas and in autocomponents plus the sharp upturn in the general engineering division. Lex also looks at yesterday's monetary decisions by the authorities with MLR coming down a point and sterling being allowed to float more freely. Cadbury Schweppes' profits are unchanged but the group is forecasting a material improvement this year, likewise Bowater's profits are stagnant but the pulp cycle is turning up and the next two years should be much better. Ladbroke's profits are more than doubled in the second half leaving the full year well ahead of market expectations. Elsewhere Taylor Woodrow is ahead of forecast, but at London Brick the growth rate has slowed down and profits are only 16 per cent higher for the year.

brought about by the strengthening of sterling in the second half. Group sales to the U.S. jumped by 66 per cent to £72m.

An analysis of the trading surplus shows: primary metal products £13m; automotive components £47m; wholesale and industrial distribution £13m; and general and civil engineering products and services £23m. UK companies contributed £56.3m (£52.5m) and overseas £40m (£30.6m).

Providing for tax and minorities the year's earnings come through at £40.4m against £35.8m. Earnings per share are stated at 26.7p (24.9p), or 40.5p (39.3p) before charging additional depreciation for inflation.

The directors point out that earnings per share have been increased by 10p (14.1p) arising from the current basis of providing for deferred tax. The dividend total is increased from 15.645p to 17.380p, with a final of 11.7914p.

The tax charge - £41.6m (£31.7m) - has benefited from

accelerated capital allowances, stock appreciation relief and certain other timing differences. Without the benefit of these allowances the tax charge would have been increased by £15.1m (£20.6m).

Capital expenditure sanctioned and outstanding at December 31 amounted to £73m (£80m). Contracts placed against these amount to £28.8m (£34.7m).

The balance-sheet at December 31 showed net borrowings up from £67.7m to £121.7m overdraws and short-term loans rose from £94.1m to £146.4m, while cash was lower at £24.7m against £26.4m.

See Lex

STERLING TRUST

Sterling Trust has announced that £484,620 5 per cent convertible unsecured loan stock 1987-1992 has been purchased and cancelled.

Crellon passes pref. dividend

Crellon Holdings, the electrical group, for which Mr. Geoffrey Rose mounted a rescue last year, is passing the dividend on its preference shares.

The Board, now under the chairmanship of Mr. Joseph Eiger, cites "accumulated losses and the potential loss expected at the year end" as the reason.

In mid-February Mr. Rose sold his holdings in Crellon, including 1m preference shares, and resigned from the Board in order to devote himself to Audiotronic Holdings, one of the two other companies he took on as "company doctor" last year.

The shares, issued in June 1978 at 10p, were sold for 15p to Anthony Gibbs Investment Management on behalf of Mr. Eiger. Yesterday, in the market, they fell 6p to 12p.

Last night Mr. Rose said that when he sold the shares in February he had "no idea that the dividend would be passed."

Anthony Gibbs said that it was not expecting a dividend. "There were losses at half time and one couldn't have expected a dramatic turnaround."

Six weeks before his resignation as chairman, Mr. Rose presented the interim figures for Crellon which showed losses for the six months to October of £109,000 pre-tax.

This compared with a £5,000 profit for the comparable period but was an improvement on the £915,000 loss in the second half of 1977-78.

Presenting the figures Mr. Rose said that he expected the group to make a profit in the

second half to April, 1979 as losses in the electrical division had been halted.

No interim dividend was paid but a final was to be considered when the year end figures were known.

Yesterday Mr. Rose explained that he had been "pretty well a non-executive director" at the time.

When the figures for the half year and the second half prospects had been discussed in the boardroom in December he had been told that the electronic division was performing well and that though there were problems in the electric division these were "solvable".

From the beginning of November he had in any case been virtually a full time director of Audiotronic.

Ladbroke leaps 71% to £41m

OUTSTRIPPING ITS midway forecast by £10m Ladbroke Group, the bookmaker, casinos, holidays and hotels concern, lifted taxable profit 71 per cent in 1978 from £24.28m to a record £41.4m.

The second half surplus was more than doubled from £13.35m to £27.8m and turnover for the year was up 21 per cent at £469m, against £388m.

The growth reflected progress throughout the group. Mr. Cyril Stein, the chairman, says the company is continuing to invest and expand and looks to the future with confidence.

Of renewal of the group's London casino licences, due for renewal in May, he says: "Following some irresponsible Press publicity police objections are now anticipated based on alleged technical breaches but it has been made clear there will be no prosecution."

"The objections will be strenuously and, in the view of the company's legal advisers, successfully resisted."

"The hotel, holiday and entertainment sector increased its share of group profit against good performance in betting and casinos which in 1977 accounted for over £19m of the total.

A net final dividend of 4.0166p lifts the total to a maximum permitted 7.3166p (7.0666p) costing £4.47m (£3.56m) which is covered 5.1 (4) times. Again the Board says it intended to recommend a substantial increase in dividend as soon as possible.

After tax of £17.82m (£9.23m) stated earnings per 10p share emerge 44 per cent higher at 41.53p, compared with 28.39p.

In accordance with accounting standard No. 12, £500,000 additional provision for depreciation has been made on operating properties. In addition £800,000 has been set aside for share acquisitions under a new employee share scheme to be approved at the annual meeting.

Turnover 1978 1977 £m £m 469.000 388.000 Pre-tax profit 27.820 17.820 Tax 17.820 9.225 Available 10.000 8.595 (And pre-acquisition profits.)

See Lex

Mitchell Cotts fall to be greater than expected

AS EXPECTED, taxable profits of Mitchell Cotts Group, engineering, freight, transport, vehicle distribution concern, fell in the six months to December 31, 1978, from £4.58m to £2.67m. Turnover was just ahead from £124.7m to £125.2m.

Mr. P. P. Dunkley, chairman, says the main element in the profits drop was a lower level of activity in the field of engineering projects both in South Africa and Australia.

And the group was faced with industrial unrest in the UK and elsewhere, as well as bad weather in Europe.

These adverse conditions have continued into the third quarter, he adds, and the decline in profits for the full year "is likely to be greater than was expected."

For the whole of the previous year profits were down from a record £11.67m to £10.24m.

The directors announce an unchanged interim dividend per 25p share of 0.65625p net. Last year's final payment was 2.5p.

● Comment

A shortage of follow-up contracts in South Africa and Australia has knocked the stuffing out of Mitchell Cotts Group's first half results.

South Africa alone accounts for around 45 per cent of group profits, so when the 79 per cent subsidiary in that country reported a 40 per cent shortfall in the first six months, the market was expecting some poor group figures.

In the event, strikes and bad weather at home and in Europe added to the problems, and group profits dropped by 42 per cent. It is clearly taking a long time for the company to get any benefits from the improvements in the economies where its principal overseas businesses are based.

At best the outlook is that the second half will show only a

small improvement over the first six months, suggesting a pre-tax outturn of about £8m (£10.24m).

The company's main appeal is as an income stock so the directors will be keen to maintain the dividend. If so, the prospective yield is 13.8 per cent at 38p.

Ofrex up 25% to £4.92m

DESPITE A second half slowdown in growth, record taxable profits of £4.92m, against £3.95m, are reported by Ofrex Group for 1978, a rise of 25.2 per cent. Sales were up 13.8 per cent from £36.43m to £40.39m.

At the halfway stage profits were well ahead at £2.45m against £1.68m, boosted by results from Howard Wall, acquired on November 25, 1977.

Full year's earnings per 20p share are given as 13.77p, compared with 10.48p, and a final dividend of 2.39p effectively raises the total from 3.04p to 5.0p net; the directors are seeking Treasury consent for a 20 per cent increase.

After tax £2.64m (£2.11m), minority interest and pre-acquisition earnings of Howard Wall last time, £206,000 and dividends, the retained amount emerged at £1.68m, against £1.13m.

Ofrex's interests include office supplies, stationery, educational supplies and equipment etc.

ELDRIDGE POPE

Eldridge Pope and Co. is redeeming the remaining 1935 A redeemable debenture stock at 1102 per cent on August 1.

Bowater pulls ahead in second half—sales lower

ADVANCES in Bowater Corporation's building products, lumber furniture, carpets and tissue products activities offset a downturn in its packaging and international trading divisions in 1978. Helped by lower interest rates the group more than made up the £2.2m decline in pre-tax profit seen at half time to finish the year £3m higher at £90m but sales were lower at £1.56bn against £1.72bn.

Paper and pulp, the company's prime source of revenue, stood still with a trading surplus of £65.9m on sales up from £386m to £412m.

Overall trading profit amounted to £111.9m (£110.5m) with a fall from £67.1m to £66.1m in North America, and the UK holding £55m (£35.8m). Elsewhere in Europe there was an improvement to £5.7m (£3.8m) while Australasia was steady at £5.7m (£5.9m) and there was a recovery from £1.5m loss to £3.3m profit in the Far East and other areas.

1978 1977 £m £m Sales 1,564.0 1,721.0 Trading profit 111.9 110.5 Depreciation 11.8 12.1 Interest 17.2 20.5 Central costs 4.6 2.0 Pre-tax profit 90.0 67.0 Tax 45.0 45.4 Net profit 45.0 21.6 Minority interests 8.9 8.3 Earnings per share 45.0 21.6 Attributable 36.1 30.2 Pref. dividend 0.3 0.3 Ord. dividend 16.3 14.1 ACT not covered 1.5 1.5 Retained 18.0 15.8

1978 1977 £m £m Sales 1,564.0 1,721.0 Trading profit 111.9 110.5 Depreciation 11.8 12.1 Interest 17.2 20.5 Central costs 4.6 2.0 Pre-tax profit 90.0 67.0 Tax 45.0 45.4 Net profit 45.0 21.6 Minority interests 8.9 8.3 Earnings per share 45.0 21.6 Attributable 36.1 30.2 Pref. dividend 0.3 0.3 Ord. dividend 16.3 14.1 ACT not covered 1.5 1.5 Retained 18.0 15.8

See Lex

DIVIDENDS ANNOUNCED

Company	Current payment	Date	Corre. Total of spndng div.	Total last year
Bowater	6.77	July 6	5.7	10.83
British Printing	2.41	May 31	2.18	3.5
Brown Boveri	1.2	July 2	1	2.2
Cadbury Schweppes	2.45	July 2	2.09	3.4
Carroo Co. (Bldgs.)	0.89	May 31	0.8	2.76
City Ldn Brew. 3rd Int.	2.87	July 3	2.86	5.2
De Vere Hotels	1.65	June 29	1.05	1.05
East Rand Cons.	2.96	—	2.49	4.46
Grampian Hlds.	11.79	May 26	10.06	17.38
Guest Keen	0.34	—	0.35	0.67
Kraft Productions	4.02	—	1.5	2.79
Ladbroke	2.19	June 4	1.95	3.6
FJC Lilly	0.65	June 30	1.96	3.26
London Brick	0.65	June 4	0.66	—
M. Cotts Grp.	2.34	July 2	2.2	5.89
Morg. Crucible Sec. Int.	0.66	—	0.43	1
Wm. Morrison	2.39	May 24	1.95	3.6
Ofrex	1.6	May 21	2.65	4
Starstrite Engrg. Int.	2.5	May 21	2.65	4
Henry Sykes	6.91	June 30	5.62	8.5
Taylor Woodrow	16.38	May 31	14.04	22.38
Tilbury Contracting	—	—	—	20.04

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

time, was less at £45.5m (£48.4m). Stated earnings per £1 share were up 1.7p to 25.8p or, after the ACT amount, up 0.7p to 22.5p.

The Board considers it more appropriate to treat ACT as an additional cost of dividends.

Interest amounted to £17.2m (£20.5m) and unallocated central costs were up from £3m to £4.5m. The results include sales of £37m (£279m) and are after a £0.4m (£9.9m surplus) attributable to the Kay Corporation of America in which the group sold

its 43 per cent controlling interest early in 1978. An analysis of sales and trading surplus by activity shows in £m: paper and pulp £412 (£385) and £65.9 (£65.9); packaging £139 (£132) and £11.9 (£14.2); building products £194 (£100) and £85 (£82); tissue products £13 (£11) and £16.8 (£13.1); and international trading, transportation and other activities £736 (£978) and £10.4 (£17.1).

See Lex

Brown Boveri expands 18%

DESPITE A slight narrowing of trading margins, taxable profits of Brown Boveri Kent, instrument manufacturer, rose 18 per cent from £3.3m to a record £3.9m for 1978 on a similar increase in sales to £81.1m.

Orders rose somewhat less, says Mr. J. G. Vaughan, the chairman, reflecting intense international competition and reduced investment projects in the process industries. Another factor was the deteriorating competitiveness of UK production (due to the strength of sterling), he adds.

The company's sound financial and international position enables it to look to the longer term with confidence, but the chairman says it will be difficult in the short term, to maintain the sales and profits growth achieved in recent years.

At midway profits rose from £2.93m to £3.56m and the £7.44m for 1978 on a similar increase in sales to £81.1m.

Full year earnings are shown as 9.47p against 8.38p per 25p share, and a final payment of 1.2p lifts the total dividend from 1.76p to 2.2p net, costing £1.19m (£764,000).

After tax, SSAP 15 adjusted, of £1.88m (£1.77m), minorities £736,000 (£682,000) and an extraordinary debit of £321,000 (£200,000), the available balance

emerged at £4.51m, compared with £2.93m.

The extraordinary debit comprised an exchange translation changes £245,000 (£920,000) and capital duty and rights issue expenses £76,000 (nil).

Profit of subsidiary, George Kent, rose from £5.64m to £6.72m before tax £1.3m (£1.39m), etc. Dividends payable to Brown Boveri 10p (8.97p).

● Comment

Sales volume at BBK was up by around 9 per cent in 1978. The growth rate was down on 1977 and it looks as though it will fall again in 1979. With new capital investment looking a little soggy worldwide BBK is facing increasing competition, particularly from U.S. firms that

can price in dollars. The result is a slowdown in new order intake which, while significant, is not sufficient to check profit growth overall - but it could be small. The shares are tightly held with the parent, Brown Boveri of Switzerland controlling 55 per cent and the NEB a further 20 per cent. Since the scheme of arrangement in 1974 profits have grown rapidly, management is sound and longer term prospects for industrial instruments, process control and liquid metering equipment look promising. But a sizeable portion of products are exported and shifts in competitiveness may hit future figures. The shares, at 96p, have a p/e of 6.8 and yield of 5.1 per cent. This reflects the short term prospects fully.

Ladies Pride Manufacturers of High Quality Fashionwear

	1978	1977
Group Turnover	£000	£000
Group Profit (before taxation)	6,439	5,842
Group Profit (after taxation)	1,009	1,020
Export Turnover	476	490
Earnings per Share	1.529	1.421
Final Dividend (net)	8.52	* 8.79p
Total Dividend (net)	1.209p	* 1.50p
	2.159p	* 1.935p

* adjusted for 1978 Scrip Issue

The Chairman, Mr. F. A. Robson reports:-

- The acquisition of Wyndale Gowns Ltd. of Leicester a reputable manufacturer of jersey fashionwear which will supplement output potential by some 7½%.
- Investment of a further £200,000 in buildings and finishing plant.
- Excellent labour relations; recent strike action in other industries left us practically unscathed.
- All factories are fully booked for the Spring/Summer season.
- Group properties professionally revalued and a surplus of £487,000 over book value credited to reserves.
- Maximum permitted dividend.
- Scrip issue of one for five recommended.

The economic and political uncertainties facing the country render forecasting somewhat hazardous and I will, therefore, merely state that we are full of optimism that Ladies Pride will continue to progress in performance and profits.

F. A. ROBSON Chairman.

Grindlays Bank Limited Interest Rates

Grindlays Bank Limited announce that their base rate for lending will change from 13% to 12% with effect from 6th April, 1979

The interest rates paid on call deposits will be - call deposits of £1,000 and over 9½% (call deposits of £300-£999 8½%)

Rates of interest on fixed deposits of over £10,000 will be quoted on request.

ANNOUNCEMENT OF NEW PARTNERSHIP

Mr. William W. Brodie, Mr. Hamish N. Buchan and Mr. Christopher D. Walls will join the partnership of Messrs. Wood, Mackenzie & Co., Stockbrokers of Edinburgh and London on 7th April, 1979.

LOCAL AUTHORITY BONDS

Every Saturday the Financial Times publishes a table giving details of Local Authority Bonds on offer to the public.

For advertising details please ring Stephen Cooper 01-248 9000 Extn. 7008

Cadbury Schweppes LIMITED

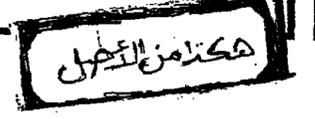
PRELIMINARY ANNOUNCEMENT BY SIR ADRIAN CADBURY, CHAIRMAN

For the 52 weeks ended 30 December 1978	1978 £m	1977 £m
Group sales	1,012.7	883.6
Group trading profit	62.0	59.4
Investment income	2.7	2.8
Interest payable	64.7	62.2
Group profit	17.1	14.2
Share of associated companies' profits less losses	47.6	48.0
Group profit before taxation	0.6	0.2
Taxation	48.2	48.2
Profit attributable to minority interests	18.5	15.2
Extraordinary items	29.7	33.0
	3.0	3.8
Profit attributable to Cadbury Schweppes Limited	26.7	29.2
Dividends	10.5	0.5
Preference Stock	16.2	28.7
Interim Ordinary Stock of 0.95p per unit (1977 0.95p)	0.1	0.1
Final on Ordinary Stock of 2.44627p per unit proposed (1977 2.09143p)	3.5	3.5
	9.0	7.7
Profit retained	12.6	11.3
	3.6	17.4
Earnings per ordinary stock unit of 25p		
Net basis	7.25p	7.94p
Nil distribution basis	7.63p	8.59p

- * Sales topped £1,000 million - 15 per cent up on the previous year.
- * Every major operation earned higher trading profit, except Australian Confectionery Division and UK Tea & Foods Division, whose margins and profits declined.
- * The trading profit was 4 per cent up and the pre-tax profit was held.
- * In UK and USA Schweppes and Cadbury brands improved market shares. Schweppes achieved same goal in the European and Australian drinks markets.
- * Record sales levels were achieved in USA by main Peter Paul Cadbury brands.
- * UK divisions raised return on operating assets - one of stated aims of five-year programme begun in 1978.
- * Net borrowings were held at £15 million above 1977 after absorbing \$58 million for the acquisition of Peter Paul.
- * Year saw major shift in geographical balance of operations and balance of profit contribution will be significantly changed in 1979.
- * The aim is for a material improvement in group profit this year, with a greater contribution from North America.

Subject to approval by the Stockholders at the Annual General Meeting the final dividend will be paid on 2 July 1979 to holders of Ordinary Stock registered at the close of business on 21 May 1979.

The Annual Report and Accounts, containing the Chairman's Statement and a detailed analysis of the year's trading, will be posted to Stockholders on 24 April 1979.



Cadbury sales at £1bn but profits unchanged

TAXABLE PROFITS of Cadbury Schweppes were unchanged at \$48.2m for 1978 on sales up by 15 per cent from £883.6m to £1.01bn.

Sir Adrian Cadbury, the chairman, says there will be a significant change in the balance of profit contribution in the current year. The company is aiming for a material improvement in profit with a greater contribution than before from North America.

At the interim stage the directors reported virtually unchanged sales of £1.01bn against £883.6m in 1977. He says that every major operation earned a higher trading profit except the Australian confectionery division and the UK tea and foods side.

The company has a five year programme to build on its established position in the North American market and to improve its return on assets in the UK.

Sir Adrian states that the UK divisions raised their return on operating assets and there was a major shift in the geographical balance of operations during 1978.

Concentration on major brands began to show returns with both Schweppes and Cadbury improving their UK and U.S. market shares and Schweppes

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are intended or their end the sub-divisions shown below are based mainly on last year's timetable.

Table listing board meetings for various companies including Anglo Scottish Investment Trust, Balfour Beatty, Sun Life, etc.

doing the same in the drinks markets of Europe and Australia.

He adds that the main Peter Paul Cadbury brands—Peter Paul, having been acquired in April 1978—sold at record levels.

Earnings per 25p share are

Grampian Hldgs. stages recovery

A STRONG second-half recovery was staged by Grampian Holdings. The group lifted taxable profits by 20 per cent from £1.46m to £1.77m in 1978 after trailing at £756,000, against £1.14m at the halfway stage.

At midway the Board said that third quarter trading had improved and a recovery was expected.

In the full year the industrial services side, led by the transport group, pushed up taxable profits from £219,000 to £1.01m.

The printing and publishing sector continued its recovery to finish ahead from £105,000 to £392,000.

But the consumer goods division saw profits slide from £1.43m to £828,000.

An extraordinary item of £906,000 includes £600,000 for the disposal of Grampian Furniture which was sold to Goodtrade Supermarkets in February.

Tax for the year of £151,000 (£4,000) has been calculated on an SSAP 15 basis. There is an exceptional credit of £800,000 this time for deferred tax liability.

It arises from a reassessment of the probable tax liability for the previous year.

A final dividend of 2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Grampian Holdings for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Grampian Holdings for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Grampian Holdings for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Grampian Holdings for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Grampian Holdings for 1978, 1977, and 1976.

Sedgwick Forbes

Good progress is being made on the link-up of Britain's largest insurance broking group, Sedgwick Forbes Bland Payne with Alexander and Alexander, a major U.S. insurance broker.

This augurs well for the success of the operation Mr. Neil Mills, Sedgwick's chairman told shareholders at yesterday's annual general meeting.

Sedgwick Forbes is intending to co-ordinate its insurance business with the U.S. broker in a pooling arrangement.

Mr. Mills said it was too early to comment on the planned link-up or judge what influence other realignments between UK and U.S. insurance brokers would have on the business.

turnover

Table showing turnover and profit for Sedgwick Forbes for 1978, 1977, and 1976.

1978 1977 1976

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Sedgwick Forbes for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Sedgwick Forbes for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

Wm. Morrison ahead by 26.4%

FOLLOWING A rise from £1.26m to £1.52m at mid-year, Wm. Morrison Supermarkets ended the 53 weeks to February 3, 1979 with pre-tax profits up 26.4 per cent to a record £3.57m, against £2.82m for the previous year. Sales advanced over 32 per cent to £113.21m.

At the trading level, profits were up 26.5 per cent to £4.96m. The acquisition of Wheelans Discount Stores contributed £11.37m of sales and £136,000 of profits, and further substantial progress is anticipated in the current year.

Results do not include extraordinary debits amounting to £530,000 associated with the Wheelans acquisition.

After a tax credit of £176,000 (£823,000 charge), earnings per 10p share are given well ahead at 18.2p (8.86p). Treasury approval has been given to effectively lift the dividend total by 33 per cent from 0.752p to 1p net, with a 0.857p final. Three directors have waived payments

totalling £68,913 in the current year.

The directors report that new stores at Lace, Harrogate and Darlington are currently being built and an extension to the Halifax store will commence shortly. Other developments are at an advanced stage of negotiation.

The company has changed its accounting policies in relation to the provision for depreciation on freehold buildings and long lease land and buildings, together with the release of deferred tax account.

comment

Morrison continues to push ahead and even stripping, but profits from Wheelans and just

ing for the extra week the pre-tax figure is a fifth higher. Volume growth was around five per cent from existing stores and further gains are likely this year through the big improvement should come from Wheelans where Morrison is talking of sales approaching £1.6m this year, and as this acquisition added some 20 per cent to Morrison's selling area there could be a lot more to come.

This year group sales could reach £135m and with some improvement in the gross margin pre-tax profits could be around £44m despite a jump in interest costs which seems likely with the current store opening programme. In 1978 the shares were one of the best performers in the food retailing sector and to date this year they have jumped 45 per cent. Now at 139p, with a yield of one per cent and p/e of 8.5 or 18.7 fully taxed, they look on the expensive side though the substantial cover gives scope for a much higher dividend should the rules be changed.

turnover

Table showing turnover and profit for Wm. Morrison for 1978, 1977, and 1976.

1978 1977 1976

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Wm. Morrison for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Wm. Morrison for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

Table showing turnover and profit for Wm. Morrison for 1978, 1977, and 1976.

13.36p to 15.88p. If the exceptional item is included, this year's stated earnings are up to 23.76p.

The group's interests include construction, transport and plant hire, light engineering and printing.

Following a property revaluation at June 30, 1978, £10,000 has been provided for the first time for property depreciation.

comment

Elimination of losses in the English section of North Sea Gas Services and Utilities in 1977 was probably worth around £200,000 or much of the 20 per cent pre-tax profit improvement last year but, as Grampian enters the final stage of its rationalisation programme, there will be further benefits from recent closures.

Loss elimination at the amplification equipment hire subsidiaries may be worth another £200,000 in a full year and the sale of the furniture division will be worth £319,000.

The transport division was almost entirely responsible for a jump in industrial services trading profits but the January-February strike cost about £250,000 at the pre-tax level which may take until the end of the year to recover.

The Mitre Sports operation is expected to wipe out losses at £100,000 and turn in a positive contribution this time but the shares, up 3p to 66p yesterday, must now be looking ahead to the final, and ultimately more difficult, elements of rationalisation for which Grampian has already provided £400,000 below the line. In the meantime, the 3.5 times covered dividend yields 10.6 per cent and the fully taxed p/e is

8.2.

2.9575p net per 25p share lifts the total from 3.9925p to 4.4575p. Stated earnings per share are ahead from

1978 1977 1976

UK COMPANY NEWS

Companies and Markets

London Brick £2m rise

WITH AN advance from £8.56m to £7.37m in the second half, 1978 taxable profits of London Brick Company moved ahead from £12.17m to £14.09m, on turnover some £20m higher at £11.33m.

Tax takes £1.99m (£4.53m) and after an extraordinary debit of £0.25m this time, attributable profits increased by £1.3m to £5.85m.

A final dividend of 2.19023p net, steps up the total from 3.2571p to 3.6039p per 25p share. Payments absorb £2.18m (£1.94m), leaving profits retained at £3.69m against £5.8m.

The group is mainly engaged in the production and sale of bricks: building, partition and floor blocks; field drain pipes and other clay products.

LWT at £3.34m in first half

AFTER reduced Brochequer Levy of £3.67m compared with £4.07m, taxable profits of LWT (Holdings), independent television programme contractor, were £3.34m in the 26 weeks to January 21, 1979, against £3.48m previously.

Turnover of £81m (£20.12m) includes for the first time the £6.6m sales of Hutchinson for the six months to December 31.

Mr. John Freeman, chairman, says television advertising revenue is some 20 per cent higher. He adds that the last half-year results were exceptional and included £157,000 capital profit.

He says that in the last annual report he suggested current year profits would not show a significant increase on the £6.51m previously. The high level of television programme expenditure continues as planned, and the directors confirm that there is likely to be no change in this prediction, he adds.

The half-year took the £1.74m (£1.51m). The net interim dividend is raised from 3.55p to 3.9105p and costs £632,000 (£574,000)—last year's total payment was 9.23p.

Second half standstill leaves BPC 23% ahead

COMPARED WITH the first half jump of 110 per cent profits growth at British Printing Corporation came to a virtual standstill in the second six months with an improvement of only 2.8 per cent.

This has left the total for the year ended December 30, 1978, 23.7 per cent ahead at £7.2m which was achieved after absorbing heavier than expected trading losses of £1.5m against £0.5m at Sun Printers.

Mr. Peter Robinson, chairman, reports that 1979 has started badly due to loss of sales during the lorry drivers' dispute and the temporary suspension of the Sunday Times colour magazine. Interim results will therefore be depressed, he warns.

The chairman explains that the higher than expected loss from Sun Printers was principally due to industrial disputes at two major customers. This company has been successful in obtaining another major contract and additional sales for the equipment installed in September, 1978; the group still aims to reach the break-even point by 1980.

Mr. Robinson explains that the second half pre-tax profit was over double that of the first six months and that in 1979 this swing will become further pronounced. This follows a change in company law in Sweden which has meant an alteration in the accounting dates of the Swedish company's subsidiaries in Denmark and Norway.

The profit before tax was struck after redundancy payments of £880,000. After all charges including extraordinary items of £762,000 (£1.49m) and taking in exchange gains of £472,000 (£313,000) last September, 1978; the group's net pre-tax profit of £1.5m is up from £1.2m in 1977, against £1.62m. Earnings per 25p share are stated at 13.2p (10.5p).

As indicated at the time of the rights issue in September, 1978, the final dividend is increased from 2.1825p to 2.4p net on the higher capital. This raises the total from 3.1825p to 3.5p.

1978, the final dividend is increased from 2.1825p to 2.4p net on the higher capital. This raises the total from 3.1825p to 3.5p.

comment

Only one of British Printing's three main operating divisions was in line with industry trends. Its packaging activities were slightly down in 1978, reflecting the fortunes of most of the sector because of pressure margins. The biggest profit earner is printing and here, despite a £1.8m loss at Sun Printing, the trading figure is 58 per cent up. Higher productivity following investment in new equipment helped and there was also strong demand from the advertising industry for labels and printed cartons. Book Publishing earnings are only marginally higher despite a good increase in book sales in the UK as a whole. BPC did enjoy some benefit but the profit was held back by a halving in the Japanese subsidiary's contribution. Prospects for the first half of 1979 are not bright but, with more than 60 per cent of profits now coming in the second half, there may be a further slight improvement. The shares, at 85p are on a p/e of 4.3 and a yield of 9.3 per cent.

	1978	1977
Turnover	353,000	352,000
Trading and inv. inc.	32,750	27,540
Depreciation	7,775	7,318
Finance charges	1,000	1,000
Profit before tax	23,775	22,422
Tax	12,078	11,226
Net profit	11,697	11,196
Minorities	1,002	1,388
Availables	9,913	9,291
Dividends	1,890	1,772
Reserves	7,523	6,893

Morgan Crucible slightly up in disappointing year

A YEAR of swings and roundabouts which ended disappointingly is reported by Mr. Ian Weston Smith, chairman of Morgan Crucible Company.

Profitable profits for 1978 edged up from £11.94m to £12.27m on sales ahead from £89.25m to £100.02m. But Mr. Weston Smith points out that in real terms the surplus was lower.

He adds that there are signs of an improvement in world iron and steel industries, and in some continental markets and in Australia. Improved prospects were forecast at the nine-month stage when taxable profits were static at £9.26m.

There was an extraordinary debit of £1.2m (£202,000) which included £11m provision for the fire which substantially destroyed the Triton ceramic fibre factory in Liege, Belgium, last April.

Part of the cost of the fire has been absorbed in trading

profit. The company says the insurance claim has been rejected by insurers, and legal proceedings are being taken against them in Belgium.

Tax for the year takes £4.64m, against £3.46m, and minorities and preference dividends £302,000 (£261,000), leaving attributable earnings down at £7.32m, against £8.2m. After the extraordinary debit, net attributable profits are further down at £5.92m, against £7.99m.

Shareholders are to get a second interim dividend of 2.237p net per 25p share which lifts the total from 5.31p to 5.89p. Stated earnings per share are down slightly at 17.6p against 19.5p.

The group supplies sophisticated components and materials to industries throughout the world.

during 1978 but the group is now seeing signs of an improvement in some of its major markets. The final quarter enjoyed a 9.5 per cent pre-tax improvement after a broadly flat performance in the first nine months and the overall result would have been at least £500,000 higher had it not been for consequential costs of the Belgian ceramic fibre plant fire which were taken above the line. Results from the carbon division give an indication of the group's relative independence of the UK automotive market where it supplies carbon brushes and the process difficulties at Morganite Crucible, which held back the contribution from the Thermic division, are now said to be easing. The p/e of 6.2 on stated earnings may not be as high as it seems, as now anticipated, world iron and steel industries are starting a recovery. The shares climbed 2p-5p-12p yesterday where the yield is 7.4 per cent.

comment

Having been 20 per cent higher in the first half, London Brick's growth slowed down and for the full year profits are only 16 per cent up. Problems in Iran, Nigeria and Abu Dhabi hit the contribution from associates which moved into a loss, and led to a £0.2m extraordinary item below the line. London Brick's non-day interests (just under a third of total profits) did not do particularly well either, so it was up to the group's traditional brick operations to make the running. The increase in private house building clearly helped (they use more bricks than public sector housing) and brick

comment

Mr. Robinson explains that the second half pre-tax profit was over double that of the first six months and that in 1979 this swing will become further pronounced. This follows a change in company law in Sweden which has meant an alteration in the accounting dates of the Swedish company's subsidiaries in Denmark and Norway.

Taylor Woodrow on target

IN LINE with the forecast of net less than £20m made at the time of February's £1m rights issue, pre-tax profits of Taylor Woodrow, the engineering, construction and development group, improved to £23.38m for 1978, compared with £22.32m a year earlier. Turnover was virtually un-

comment

Taylor Woodrow's £23m profit forecast, brought out with its rights issue in February, was of necessity conservative and the actual result is a tactful £1m higher. This year should see some improvement as the two major projects have returned to completed, while property income should rise and UK contracting contribute more. TW is also looking for higher earnings from the U.S., although the real upswing may not come before 1980. An attributable income figure of £13.8m—implying pre-tax profits of nearly £30m—will be needed if there is to be no dilution in earnings per share this year; and this may be a little ambitious. Meanwhile the shares have returned to above their pre-rights issue level although contractors as a whole have not performed better than the market on the recent upward leg. At 392p, up 9p yesterday, the prospective yield is 4.9 per cent.

comment

The meeting was adjourned on the proposal of Mr. Max Lewinson, leader of the dissenting shareholders. Mr. Lewinson and Cooper and Leonard, the scrutineers appointed by him, were not satisfied that all the votes cast at the EGM were valid. The issue was the election of the current board and its replacement with directors headed by Mr. Lewinson.

Lower construction profit pegs Tilbury advance

ALTHOUGH HIT by a reduced contribution from its construction division, Tilbury Contracting Group to expand taxable surplus from £2.11m to £2.42m for 1978, with £944,000, against £881,000, coming in the first half. Full year turnover rose by £10.56m to £45.25m.

The directors say reduced margins on construction work reflected the continuing highly competitive conditions in that field.

Weather conditions in the opening months of 1979 have had an adverse effect on early group returns. However, in the construction division work in hand is well ahead of last year, and further progress is expected in the other divisions this year.

The 1978 result was boosted by dividends this time from the Nigerian associate amounting to £177,898, and UK associate contributions up from £21,089 to £38,571.

Economic conditions in Nigeria during the last year's second half were extremely difficult for the directors state, but good progress has been maintained on the associate's principal contract, the Ibadan ring road. The Nigerian outlook gives them grounds for cautious optimism.

After tax of £1.95m (£1.11m) stated earnings improved from 51.51p to 58.42p per £1 share. A final dividend of 16.3788p lifts the net total from 20.0479p to 22.3788p—the maximum permitted.

comment

The meeting was adjourned on the proposal of Mr. Max Lewinson, leader of the dissenting shareholders. Mr. Lewinson and Cooper and Leonard, the scrutineers appointed by him, were not satisfied that all the votes cast at the EGM were valid. The issue was the election of the current board and its replacement with directors headed by Mr. Lewinson.

Lower construction profit pegs Tilbury advance

comment

The meeting was adjourned on the proposal of Mr. Max Lewinson, leader of the dissenting shareholders. Mr. Lewinson and Cooper and Leonard, the scrutineers appointed by him, were not satisfied that all the votes cast at the EGM were valid. The issue was the election of the current board and its replacement with directors headed by Mr. Lewinson.

De Vere up 44% and makes good start

TAXABLE PROFITS of De Vere Hotels and Restaurants rose more than 44 per cent from £15.2m to a record £22.1m in 1978, on higher turnover of £18.22m, against £16.09m.

At halfway, when profits were up from £9.7m to £10.5m, the directors said the favourable trend should continue for the remainder of the year.

They now state that the current year's trading has got off to a good start.

For the year, the net dividend is raised from 4.6529p per 25p share to a maximum permitted 5.1958p, with a 2.9662p final. Mr. Leopold Muller, chairman, has again waived his entitlement on 5.44m shares.

The directors valued the group's properties and contents at December 31, 1978, on the basis of their open market value for the purpose for which they were being used at that date, at £33.93m—the group revaluation surplus of £11.37m has been credited to capital reserves.

As previously, no depreciation is provided on freehold buildings and leaseholds which have unexpired terms of more than 24 years.

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

Lex Service aiming to expand into U.S. vehicle parts market

The first major U.S. move by Lex Service Group is likely to be into the multi-million-dollar American parts market for cars and trucks.

The group is looking for a private company with \$60-80m turnover which could involve it in an outlay of between £7m and £8m.

Any major bid move in the U.S. would be financed by long-term dollar borrowings, said chairman Mr. Trevor Chinn.

He says in his annual report that the group is turning over its search for growth areas and that the motor vehicle distributor and hotelier group is looking in particular at the U.S. where, through its hotels, it already has a major investment. A project management team, based in New York, is studying possible acquisitions in the U.S. and not least because of the uncertain economic and political climate in the UK and in the Middle East.

In this situation they feel the order book is satisfactory.

After tax for the year of £2.06m compared with £1.5m previously earnings are shown as 12.98p (10.88p) per 25p share. The dividend is stepped up from 2.5p to 2.7917p net, the maximum allowed, with a final payment of 1.67p.

Pre-tax figure was struck after depreciation of £2.06m (£1.62m), and included interest received £287,000 (£8,000).

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

Scottish Widows fund tops £1bn

TOTAL MANAGED funds of the Scottish Widows Fund and Life Assurance Society, including its highly successful Pensions Management (SWF) subsidiary, passed the £1bn mark last year, reaching £1.09bn at the end of 1978. Funds have more than doubled over the past five years and it was only 20 years ago that they topped £100m.

After tax of £1.95m (£1.11m) stated earnings improved from 51.51p to 58.42p per £1 share. A final dividend of 16.3788p lifts the net total from 20.0479p to 22.3788p—the maximum permitted.

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

Carron recovers to £1.23m

A RECOVERY in profit levels is reported by Carron Company (Holdings), metal, plastic, ceramic and general engineering products manufacturer.

In 1978, taxable profits surged 153 per cent from £483,610 to £1.23m—ahead of the 1976 surplus of £1.19m. At the last interim stage, they were up from £280,000 to £426,000.

Mr. Colin Stroyan, chairman, says the full-year results reflect the increase in demand for the group's products. There has been no marked upturn in the number of housing starts, but home improvements have provided a stimulus to the market.

Turnover rose 47 per cent to £32.02m (£21.8m), and the chairman adds production at the group's works has been satisfactory.

Of the current year, he says that despite the industrial unrest and bad weather, first-quarter profits show a substantial increase over the previous period.

After tax for the year of £198,932 (£116,842), stated earnings per 25p share are up from 11.92p to 12.24p. The net total dividend is lifted from 3.98p to a maximum permitted 3.98p, with a 2.425p final.

F. Lilley advances to £4.2m

A SECOND half increase to £2.46m against £1.74m lifted taxable profits of F. J. C. Lilley, civil engineering and public works contractors, from £3.11m to a record £3.2m for the year ended January 31, 1979.

At halfway the directors said that the present level of order book assured a satisfactory performance in the second half.

They now report turnover up from £54.57m to £65.5m for the year but say the availability of work at home and abroad at acceptable prices is still limited and not least because of the uncertain economic and political climate in the UK and in the Middle East.

In this situation they feel the order book is satisfactory.

After tax for the year of £2.06m compared with £1.5m previously earnings are shown as 12.98p (10.88p) per 25p share. The dividend is stepped up from 2.5p to 2.7917p net, the maximum allowed, with a final payment of 1.67p.

Pre-tax figure was struck after depreciation of £2.06m (£1.62m), and included interest received £287,000 (£8,000).

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

Improved underwriting trend for Provincial Insurance

A REDUCED underwriting loss and higher investment income in 1978 resulted in taxable profits of Provincial Insurance Company climbing over 10 per cent from £3.4m to £3.7m. But a nearly doubled tax charge of £2.1m with minorities and preference dividend, compared with £1.5m, sent group after tax profits plunging 25 per cent from £2.1m to £1.6m. Earnings per share fell from 24.91p to 18.81p.

A final gross dividend of 11.912p makes a gross total for 1978 of 21.7268p, compared with 19.5899p.

General net premiums written rose by 15 per cent last year and the underwriting loss was cut from £1.24m to £1.07m. Motor insurance, which accounts for half the U.K. business made a large loss, because of bad weather in the first quarter and an above average number of claims in the final quarter.

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

comment

The quinquennial revaluation offers many reasons why De Vere is constantly regarded as a tempting takeover target. Taking in cash and near cash of around £3m, assets are now worth about 350p per share against yesterday's price of 235p, up 7p. The 44 per cent rise in pre-tax profit stemmed from the benefits of refurbishment, a 12 1/2 per cent tariff increase and a 4 1/2 per cent

VAN ANKEN & ESSER

Netherlands Solicitors and Notaries are pleased to announce the opening of their London office on 6th April, 1979.

Mr. J. A. Steinz is the Resident Partner.

16, Coleman Street, London EC2R 5AE.
Tel: 01-606 7691. Telex: 887344.

Mathnesserlan 235.3021 HB Rotterdam.
Tel: 010.76 00 55. Telex: 25114.

WORLDWIDE FUND LIMITED

A commodity futures trading fund

Net Asset Value per £1 share at 31st March, 1979, \$12.19.

BANK RETURN

Wednesday April 4, 1979

Banking Department

Liabilities

Capital 14,583,000

Public Deposits 38,739,529

Special Deposits 1,945,000

Bankers Deposits 516,437,126

Reserves & other Accounts 702,818,400

1,274,993,055

Assets

Government Securities 882,820,486

Other Securities 1,158,337,048

Premises Equipment & other Secs. 9,643,286

Notes 209,194

1,274,993,055

BURNDENE INVS.

Taxable profits of Burndene Investments rose from £105,445 to £130,249 for the six months ended November 30, 1978 and the directors forecast a full year figure of around £250,000, compared with £212,384 last time.

In Wednesday's report, the comparative half-year profit was incorrectly shown as £196,424 due to an agency error.

GRAMPIAN HOLDINGS

Preliminary Results for the year ended 31 December 1978.

GRAMPIAN HOLDINGS LIMITED announce profits (subject to audit) before tax for the year ended 31 December 1978 of £1,765,000 (£1,464,000).

The Directors propose a final dividend of 11.83% (2.9575 pence per share) giving with the interim a total of 17.83% (4.4575 pence per share).

	1978	1977
Turnover	66,520	64,793
Group profits before tax:		
INDUSTRIAL SERVICES	1,907	219
CONSUMER GOODS	828	1,431
PRINTING AND PUBLISHING	292	105
Parent company expenses including bank and debenture interest not otherwise allocated	2,127	1,755
Share of profits (losses) of associated companies	1,784	1,416
(19)	48	
PROFIT BEFORE TAXATION	1,765	1,464
Taxation on profits of the year (see Note 1)	151	4
Add:		
Exceptional item—deferred taxation (see Note 1)	1,614	1,460
800		
PROFIT AFTER TAXATION AND EXCEPTIONAL ITEM	2,414	1,460
Add (Deduct):		
Amounts applicable to periods prior to acquisition and minority interests	67	(35)
2,481	1,425	
909	38	
Dividends:		
Preference paid of 4.9%	69	69
Ordinary Interim paid of 6.0% (1977—6.0%)	152	152
Ordinary Final proposed of 11.83% (1977—9.97%)	300	253
RETAINED PROFITS	521	474
1,951	913	
Earnings per Share	15.88p	13.96p
Earnings per Share including exceptional item in 1978	23.76p	

NOTE 1. The taxation charge for the year to 31 December 1978 has been calculated in accordance with SSAP 15 and includes a transfer from deferred taxation calculated on that basis. The exceptional item for deferred taxation arises from a reassessment of the probable taxation liability at 31 December 1977 relating to the reversal in the foreseeable future of material timing differences. This adjustment has been shown as a separate item in the Profit and Loss Account as it would be misleading to include it in the normal tax charge or credit for the year. The 1978 earnings per share has accordingly been shown inclusive and exclusive of this exceptional item.

NOTE 2. Extraordinary items include £600,000 in respect of the disposal of Gramplan Furniture previously intimated on 5 February 1979 and other provisions for disinvestments and share repurchases reduced by a tax credit now available relating to extraordinary costs in earlier years.

The Chairman, Mr. David C. Greig, comments: "The Group has taken a useful step forward with a 20% increase in profits before tax. There has been some further reshaping by divestment from unprofitable sectors and the costs of these decisions are accounted for in the 1978 results."

"The Industrial Services division led by the Transport Group has made a significant contribution to these results. In certain areas the Consumer Goods division has performed well. Printing and Publishing has continued a strong recovery."

"Our directors propose a final dividend of 11.83% giving a total for the year of 17.83% (1977—15.97%)."

GRAMPIAN HOLDINGS LIMITED

The Scottish-based holding company with interests in industrial services, consumer goods and printing and publishing.

ANNOUNCEMENT

BANK OF BARODA

We regret to advise that owing to the industrial action by the members of our staff we were unable to provide normal banking service from Friday, the 30th March, 1979.

We are now glad to announce that normalcy has been restored from Thursday, the 5th April, 1979.

We are extremely sorry for the inconvenience caused to our clients and thank them for their forbearance.

ISSUE DEPARTMENT

Notes Issued

In Circulation 9,100,000,000

In Banking Department 9,090,356,614

9,043,586

Liabilities

Notes Issued 9,100,000,000

In Circulation 9,090,356,614

In Banking Department 9,043,586

Handwritten text in Arabic script at the bottom right of the page.

BIDS AND DEALS

MINING NEWS

Dalgety buying U.S. food group

BY TERRY OGG

DALGETY, the agricultural products specialist, intends to pay between £16.3m and £19.4m for Martin-Brower, a U.S.-based food distributor. The U.S. group sold fresh, refrigerated and frozen foods plus packaging equipment worth around £290m to McDonalds and seven other fast food chains in the year to June 30, 1978.

Cerro Colorado nearly ready

BY PAUL CHEESERIGHT

THE FINAL details of financing and construction plans for the huge Cerro Colorado copper deposit are being put together by the Panamanian Government mining officials in Panama City yesterday.

DM Minerals may go to International court

DM MINERALS, a partnership of Dillingham Australia (a subsidiary of the U.S.) and Australia's Marphyores will not accept the Australian Government's compulsory offer of A\$4m (£2.18m) for the Government's controversial shut-down of the partnership's Fraser Island mineral sands operation in 1978.

NICKEL VENTURE ARRANGES LOAN

International Finance Corporation, an affiliate of the World Bank, will put up \$62.94m (£29.44m) of the \$95.84m required to bring a Brazilian nickel mining and smelting operation on stream by 1981.

Common rejects B & C bid as being inadequate

The Board of Common Brothers, the ship owning, services and insurance broking group, has considered the £2m cash bid from British and Commonwealth Shipping Company and decided that it does not "adequately" reflect the value of the company.

British Vita paying £11m for Belgian fibre group

British Vita, a UK manufacturer of polymeric products, has signed a provisional agreement for the acquisition of Libeltex of Belgium, one of the largest makers of bonded fibre waddings in Europe. The purchase price is expected to be around £12.5m, but will finally depend on the Belgian group's net tangible assets at June 30, 1979.

RMC DISPOSAL

Ready Mixed Concrete has sold its 7.1 per cent stake in Staveley Industries. The 1.01m shares, which RMC has held for five or six years, were placed in the market on March 29.

WALTER LAWRENCE

For \$884,000 cash, Walter Lawrence, the construction and engineering group, has agreed to sell Walter Lawrence Engineering, its special-purpose machinery subsidiary, to a privately-owned company which is a manufacturer of tractors and specialist tractor equipment.

HARDY SALE

Phillips Furnishing Stores, a subsidiary of Hardy and Co. (Furnishers), has sold its leasehold interest in premises at Broadmead, Bristol for £350,000 cash.

This interest was in the accounts at £22,000 and was last professionally valued at £145,000 in April 1977.

Scottish Widows new business 71% up in 1978

NEW BUSINESS I am glad to report that for the Society and its subsidiary, Pensions Management (SWF) Ltd, 1978 brought another new business record with new annual premiums of £38.7m no less than 71% up on the record figure for 1977.

Higher real earnings during the year led to substantial increases in ordinary business, while an active house purchase market, especially in the earlier part of the year, also contributed to a 23% increase in ordinary annual premiums.

SOCIAL SECURITY PENSIONS ACT 1975 and PENSIONS BUSINESS

Last year my predecessor mentioned the major effort that had been directed in 1977 towards advising clients on whether or not to contract-out of the additional earnings-related component of the new State scheme and dealing with the subsequent documentation.

The Society has always had an excellent reputation for the bonuses paid on policies for individual members but it is perhaps not always realised by our members that it also enjoys in the market a high reputation for the administration, insurance and investment aspects of pension arrangements both in its own right and through Pensions Management (SWF) Ltd.

INVESTMENT ECONOMIC GROWTH IN THE UNITED KINGDOM

INVESTMENT ECONOMIC GROWTH in the United Kingdom in 1978 was at a faster rate than we have been accustomed to for some time. This was largely due to strength in consumer spending in a period when earnings were rising more rapidly than prices.

REVENUE ACCOUNTS AND BALANCE SHEETS

REVENUE ACCOUNTS AND BALANCE SHEETS in the consolidated balance sheet the ordinary long-term insurance funds, including Pensions Management (SWF) Ltd, now exceed £1,000m for the first time in the Society's history.

EMRAY ISSUE

EMRAY, the motor vehicle distributor, is to issue 1,875,000 new ordinary shares as a further consideration for its purchase of Reid and Lee, which was made in June 1978.

BEST & MAY

At April 4 the Crown House group owned or had received acceptances in respect of 2,132,536 ordinary shares in Best and May (94.77 per cent of the capital).

JOHNSON RICHARDS

As Noreeros now holds 82 per cent of the ordinary capital of H. and R. Johnson Richards Tiles shareholders are strongly advised to accept.

The last review in Planned Savings of the actual results achieved for with profits policies of various offices once again showed the Society at the top of the table for a whole life policy effected 40 years previously.

WILSON COMMITTEE

During the year the Society was used as a case study for evidence to the Wilson Committee, an interesting but time-consuming exercise which we hope will have been of value.

LEGISLATION The Finance Act 1978

allows personal pension policies, effected by the self-employed and those in non-personable employment, to include an "open market option" enabling the policyholder at the time he wishes his pension to commence to transfer the cash value of that pension to another insurance company in order to obtain a higher pension from that office.

REGULATION OF INSURANCE INTERMEDIARIES

The Insurance Brokers (Registration) Act replaced the Royal Assent in July 1977 and is being brought into force gradually as Regulations under the various sections of the Act are made.

FUTURE OUTLOOK

While 1978 was a year of strong expansion for the Society and for the life assurance industry generally, 1979 does not hold out the same promise and we are conscious that we shall have to work even harder if the Society is to continue to grow and extend its services to reach an even wider public.

SCOTTISH WIDOWS

A better life assurance. Life assurance offices have differing views on how terminal bonuses should be derived and as a result there is a great variety of scales.

BONUS RATES

As from 1st January 1979 we increased our rates of intermediate bonus from 4.55% to 4.70% per annum compound for ordinary with profits policies and from 5.25% to 5.50% for with profits policies in our pension business fund.

Life assurance offices have differing views on how terminal bonuses should be derived

and as a result there is a great variety of scales. Our terminal bonuses are reviewed every six months and depend on the general level of Stock Exchange prices at the time and on the relative performance of ordinary shares and British Government securities.

SCOTTISH WIDOWS

A better life assurance. Life assurance offices have differing views on how terminal bonuses should be derived and as a result there is a great variety of scales.

SCOTTISH WIDOWS

A better life assurance. Life assurance offices have differing views on how terminal bonuses should be derived and as a result there is a great variety of scales.

NOTICE OF PUBLIC SALE - PASSENGER VESSELS. S.S. "MARIPOSA" / S.S. "MONTEREY". Please take notice that the following passenger vessels are offered for sale: S.S. "MARIPOSA" / S.S. "MONTEREY". Accommodations: 365 First Class Passengers. Built: Bethlehem Steel Company April 1952/December 1952. Classification: American-Bureau of Shipping. Tonnage: 14,812 Gross/7,444 Net/11,617 Net-Tons Lightweight. Speed: About 20 knots on 1.57 barrels per mile. Remarks: Each room equipped with private bath, air-conditioning, hi-fi and telephones. Public spaces are air-conditioned throughout.

LCP DEALS. Evans Halshaw Holdings, part of LCP Holdings, has sold the property and fixed assets of the Chelmsford Shipyard for £540,000, plus stock at valuation to be agreed. This follows the acquisition of the Portland Motor Group, and is to comply with Ford Motor Company franchise policy which limits group main dealerships to five. LCP has agreed to acquire 70 per cent of the equity of Ets Louis, a manufacturer of SA, drill manufacturer, for £Fr 8.5m (£890,000) cash.

EMRAY ISSUE. Emray, the motor vehicle distributor, is to issue 1,875,000 new ordinary shares as a further consideration for its purchase of Reid and Lee, which was made in June 1978. The group said that profits of Reid and Lee had exceeded £90,000 for 1978, so this issue of shares would be made.

BEST & MAY. At April 4 the Crown House group owned or had received acceptances in respect of 2,132,536 ordinary shares in Best and May (94.77 per cent of the capital). The offer will remain open pending compulsory acquisition.

JOHNSON RICHARDS. As Noreeros now holds 82 per cent of the ordinary capital of H. and R. Johnson Richards Tiles shareholders are strongly advised to accept. The directors will be doing so in respect of their own holdings.

NOTICE OF PUBLIC SALE - PASSENGER VESSELS. S.S. "MARIPOSA" / S.S. "MONTEREY". Please take further notice that pursuant to Orders of the Court dated March 9, 1979, in Chevron International Oil Co. v. The SS MONTEREY, Civil No. 79-0269 SW, Chevron International Oil Co. v. The SS MARIPOSA, Civil No. 79-0268 SC, presently pending in the Northern District of California, said SS MARIPOSA and SS MONTEREY, their engines, boilers, tackle, etc., will be sold by the U.S. District Court at public auction held at Room 17409, United States Courthouse, 450 Golden Gate Avenue, San Francisco, California, on the 10th day of April, 1979, at 1.00 in the afternoon (PST) thereof, for cash to the highest bidder(s). Said-bidder(s) is to deposit immediately with the Court 10% of the purchase price in cash, U.S. currency or certified cheque on a San Francisco bank, which sum may be forfeited unless the balance of the price is paid within 48 hours after the completion of the auction.

APPOINTMENTS

Group Taxation

This is a key appointment at the London Headquarters of a major British group with manufacturing interests in the UK and overseas.

RESPONSIBLE to the Finance Director, the role is to provide specialist advice at top level on all tax matters. Proven expertise in an international group is essential. A Chartered Accountant is preferred.

REMUNERATION is for discussion to attract those already earning over £12,000.

Write in complete confidence to G. W. Elms as adviser to the group.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS 10 HALLAM STREET LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

Business Development EUROPE

THIS is a new appointment, to be located in London or Paris, with a rapidly expanding American Group marketing leading consumer goods and services world-wide.

RESPONSIBILITY is to define new areas of profitable development and to identify realistic acquisition and merger opportunities throughout Europe capable of providing the base for diversified growth.

FLAIR and experience in combining financial analysis with an appreciation of business and market opportunities is essential. The preferred background will include exposure to the practical business world. However, a background in consultancy, investment banking or stockbroking research could be equally relevant. An ability to understand written French and German and possibly Italian is required. Fluency in these languages would be an added advantage.

LIKELY AGE early 30s. The package is for negotiation and will meet what ability and experience can justify. It is unlikely that this could be of interest to anyone earning less than £13,000 in the UK or holding a comparable post on the Continent.

Write in complete confidence to P. A. R. Lindsay as adviser to the Group. Early application would be appreciated.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS 10 HALLAM STREET LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

Insurance Management

This is a new appointment in a medium-sized insurance company. The intention is to provide for succession at top level.

RESPONSIBILITY is for the technical side of the business through departmental managers at the Head Office in the West, an Underwriting room in London and a branch network.

AN INSURANCE PROFESSIONAL is required with experience at corporate level, coupled with evidence of ability in management and administration.

AGE 35-45. Initial salary in five figures with especially good prospects.

Write in complete confidence to G. W. Elms as adviser to the company.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS 10 HALLAM STREET LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

STOCKBROKING IN IPSWICH

ANDERSON & CO.

seek an Attache/Member with substantial established business to join their Ipswich office. Direct line to the London office and the Market Price Display Service are installed.

Enquiries should be made to:

Mr. Quiller or Mr. Bassett at Anderson & Co., 158 Fenchurch Street, London, E.C.3. Telephone 01-623 9231.

SUCCESSFUL AND EXPERIENCED SALES REPRESENTATIVE

Surrey/Sussex/Kent, weighing and food trade equipment. Good salary plus commission. Company car and usual expenses. Apply to Mr. A. H. Wilson, Sales Manager, R. C. Argold Engineering Ltd., Holmehouse Industrial Estate, Franches Road, Redhill, Surrey. Tel: Redhill 64301/2/3

Managing Director

for a new management consultancy backed by well-known chartered accountants and a leading firm of consulting engineers. Both shareholders have well established consultancy practices in the UK and overseas. These are now to be integrated and the new venture is strongly placed for rapid growth.

RESPONSIBILITY is to the Chairman for developing the business profitably. The role is to direct a broad range of consultancy services spanning financial and management accounting, information systems, organisation, and personnel.

SUCCESS in the profitable management and development of consultancy operations in an international context is the prime requirement. Career progression should have stemmed from a professional qualification and background.

TERMS are for discussion. With generous profit participation, the earnings opportunity could be in excess of £25,000.

Write in complete confidence to K. R. C. Slater as adviser to the consultancy.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS 10 HALLAM STREET LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

Head of Finance

CONSUMERS ASSOCIATION

THE ASSOCIATION exists to further the interests of the consumer in the marketplace. Its diverse activities include the publishing of the five Which? magazines and a wide range of books. Turnover exceeds £8m. Research and information services form an important part of the work.

THE HEAD OF FINANCE is responsible for monthly and annual accounts and forecasts and is also expected to make a major contribution to corporate planning.

EXPERIENCE at senior level in commerce, a professional accounting qualification and the temperament to suit a lively, demanding environment are the criteria.

SALARY in excess of £10,000. Car provided.

Write in complete confidence to G. W. Elms as adviser to the Association.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS 10 HALLAM STREET LONDON WIN 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

LEGAL ASSISTANT

TRINIDAD AND TOBAGO OIL COMPANY LIMITED

TRINTOC - Trinidad and Tobago Oil Company Limited, a fully integrated oil company, owned by the Government of Trinidad and Tobago, invites applications for the position of Legal Assistant in its Legal, Lands and Public Relations Division.

QUALIFICATIONS AND EXPERIENCE Barrister at Law or Solicitor of at least three years' post-graduation experience.

Practice and experience (court or industry) in commercial law, including contracts, insurance, patents and taxation; land and company law will be an advantage.

The job is located in Point Fortin, Trinidad, and the company offers an attractive remuneration package consisting of a negotiated salary and competitive fringe benefits.

Applications can be forwarded to the Head, Recruitment and Career Planning, Trinidad and Tobago Oil Company Limited, Point Fortin, Trinidad, West Indies.

Closing date for applications is April 30th, 1979.

Arts Council OF GREAT BRITAIN

Deputy Secretary-General

Applications are invited for this post which will become vacant in late May 1979.

Candidates should have a good general knowledge of and interest in the arts together with first-class administrative experience.

Salary range (under review) £10,567-£12,795. Starting salary negotiable.

Further details from Dr. Roy Shaw, Secretary-General, Arts Council of Great Britain, 105, Piccadilly, London W1V 0AU, to whom applications, with the names of three referees, should be sent by 27th April, 1979.

UNIVERSITY OF WARWICK

Lectureship in Accounting and/or Finance

Applications are invited for this post in the School of Industrial and Business Studies, from persons holding a good degree in accounting, business finance, financial economics or similar disciplines. Candidates also offering appropriate professional qualification and/or related practical experience in industry, commerce or the public sector will be particularly welcome, but less experienced graduates wishing to take up or develop a career in management education are also invited to apply. Salary on the Lecturer scale, £3,982-£7,754 p.a. (under review). The School is concerned to promote undergraduate, postgraduate and post-experience teaching in many aspects of accounting and business finance, and therefore no particular area of teaching is specified. A firm commitment to research in an appropriate area will be expected from the successful candidate. Application forms and further particulars from the Academic Registrar, University of Warwick, Coventry CV4 7AL quoting Ref. No. 32/A/75. Closing date for receipt of applications is May 4th 1979. Informal preliminary inquiries may be made to Professor R. Feather, School of Industrial and Business Studies.

APPOINTMENTS WANTED

FORMER public company managing director aged 46, qualified secretary, seeks senior executive position, home or overseas. Mfr. 12, 12, 205, W. Cannon Street, EC4A 3DF.

LEGAL NOTICES

THE COMPANIES ACTS 1948 to 1976 EXQUISITE HOUSEHOLD SELECTIONS LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 253 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at the offices of LEONARD CURTIS & CO., situated at 374 Ranelagh Street, London W2A 3BA,

on Thursday, the 12th day of April, 1979, at 3.00 o'clock, in the afternoon, for the purposes mentioned in sections 254 and 255 of the said Act, 1979. Dated this 27th day of March, 1979. By Order of the Board, N. S. ROGERS, Director.

THE COMPANIES ACTS 1948 to 1976 NIMEDALE LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 253 of the Companies Act 1948, that a Meeting of the Creditors of the above-named Company will be held at the offices of LEONARD CURTIS & CO., situated at 374 Ranelagh Street, London W2A 3BA,

on Thursday, the 12th day of April, 1979, at 3.00 o'clock, in the afternoon, for the purposes mentioned in sections 254 and 255 of the said Act. Dated this 27th day of March, 1979. By Order of the Board, A. SAUNDERS, Director.

COMPANY NOTICES

CANON INC.

Advice has been received from Tokyo that the Board of Directors has declared a dividend of ¥100 per share for the six months period ended 31st December, 1978.

Holder of SUBORDINATED DEPOSIT RECEIPTS TO BEARER SHARE (EDR) wishing to claim this dividend in respect of EDRs should present Coupon No. 32 of the EDRs to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

LEGAL NOTICES

NOTICE IS HEREBY GIVEN

that a Meeting of the Creditors of the above-named Company will be held at the offices of LEONARD CURTIS & CO., situated at 374 Ranelagh Street, London W2A 3BA,

on Thursday, the 12th day of April, 1979, at 3.00 o'clock, in the afternoon, for the purposes mentioned in sections 254 and 255 of the said Act, 1979. Dated this 27th day of March, 1979. By Order of the Board, N. S. ROGERS, Director.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Parent will be made starting at the rate of exchange ruling on the day of presentation. The scheduled territories for the EDRs are: Australia, New Zealand, Hong Kong, Singapore, Malaysia, Brunei, Indonesia, Philippines, Thailand, South Korea, Taiwan, Republic of China, and others.

Receipts (SHARE) should be presented to the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP, at the office of the Registrar, Canon Inc., Limited, 45, BAKER STREET, LONDON W1P 0LP.

Standard Chartered announce that on and after 6th April, 1979 the following annual rates will apply: Base rate 12% (Decreased from 13%) Deposit rate (basic) 9 1/2% (Decreased from 10 1/2%) Standard Chartered Bank Limited

Co-operative Bank With effect from 6th April, 1979 the following rates will apply Base Rate Change From 13% to 12% p.a. Also: 7 Day Deposit Accounts 9 1/2% p.a. 1 Month Deposit Accounts 9 1/2%

Handwritten signature or mark at the bottom of the page.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

Steel companies now feel brunt of Teamsters strike

BY JOHN WYLES IN NEW YORK

THE SHARPENING impact of the shutdown of a large proportion of the U.S. trucking industry has forced Chrysler Corporation to close indefinitely all of its vehicle assembly plants and to plan other closures which will eventually make 85,000 workers idle.

the Teamsters' Union which represents their 300,000 drivers and warehousemen. Some of the impact of the stoppage, which follows an employers' lock-out last Sunday in retaliation for selective strikes, is being softened by the Interstate Commerce Commission encouraging companies which are still working to apply for licences to operate new routes.

Bay looks at rival offers

By Robert Gibbons in Montreal THE HUDSONS Bay Company says its directors on Wednesday gave "preliminary consideration" to the offers for control by the Thomson family interests and the George Weston food processing and distribution group.

Boise Cascade expansion

INVESTMENT in the office products division of Boise Cascade is to be doubled over the next five years, said the chairman and chief executive, Mr. John B. Fery in London yesterday. At present, Boise Cascade, whose major interests are in wood products and building materials, has a mere 3 per cent share in the U.S. market for office products.

Allied Artists files for protection

By David Lascelles in New York

ALLIED ARTISTS, the film-maker whose productions include Cabaret and Papillon, has filed for protection from its creditors under the U.S. bankruptcy laws, blaming losses on its picture-making activities.

INTERNATIONAL CAPITAL MARKETS

China arranges further UK commercial bank credit

BY JOHN EVANS

A FURTHER British commercial bank credit line for China for up to \$100m was signed by Lloyds Bank International and the Bank of China yesterday.

The Lloyds Bank five-year facility is expected to carry a margin of 1 per cent over Euro-dollar interbank rates, in line with other recent UK bank credits.

bank, Midland and International Banks. Additionally, seven UK banking groups concluded a \$1.2bn deposit facility, backed by the Export Credits Guarantee Department, last December. So far, no drawings on this line have been made.

Canadian dollar Eurobond prices fall

By Francis Ghiles

PRICES WERE mixed in the Eurobond markets yesterday. In the dollar sector, the firm tone remains and prices moved up slightly on the day. In the Canadian dollar sector, prices were off, particularly at the longer end of the market.

Diamond Shamrock sees rise

CLEVELAND — Diamond Shamrock Corporation, the Ohio-based energy and chemicals concern, is experiencing stronger business at its major operations and as a result expects to report higher profits for the first quarter and for the full year, according to Mr. W. H. Bricker, president and chief executive.

With the acquisition of Falcon Seaboard Incorporated, Diamond Shamrock earns about half its profits from energy operations and half from chemical businesses. Both areas will be more profitable in 1979 than for 1978, Mr. Bricker said.

Profits for last year will be further restated for a change in accounting for oil and gas leases, Mr. Bricker said. The change, in accordance with Financial Accounting Standards Board ruling number 19 requires the immediate write-off of lease costs if a property is not productive. The result will reduce 1978 earnings by an estimated 19 cents a share to \$2.58, he said.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Table with columns for U.S. DOLLAR STRAIGHTS, DEUTSCHE MARK STRAIGHTS, SWISS FRANC STRAIGHTS, and YEN STRAIGHTS. Each column lists various bond issues with their respective prices and yields.

Canadian bank debenture issue

By Jim Rusk in Toronto

ROYAL BANK OF CANADA plans a C\$80m two-part debenture issue on international capital markets in mid-April. It will be brought under an international underwriting group headed by Orion Bank and Royal Bank of Canada Trust Corporation.

Mexico plans big steel plant

BY WILLIAM CHISLETT IN MEXICO CITY

THE MEXICAN Government is studying the idea of building a major plant to produce steel plate and large diameter steel pipe. In 1978, Mexico imported 458,000 tonnes of plate, worth \$227m, and 538,000 tonnes of pipe, worth \$438m.

at Las Truchas, on the Pacific Coast, with a capacity to produce 1.4m tonnes of steel, 1m tonnes of plate, and with facilities to manufacture large diameter steel pipe.

have to decide whether to use the Hylsa gas-fired sponge iron process or the coal-fired blast furnace technology. Hylsa is the leading private Mexican steel company.

Trizec ahead in first quarter

By Our Montreal Correspondent

TRIZEC CORPORATION, the second largest quoted Canadian real estate development corporation, earned C\$2.7m, equal to 17 cents a share, in the first quarter ended January 31, against C\$2.1m, or 16 cents, on fewer shares a year earlier.

This announcement appears as a matter of record only.

autostrade CONCESSIONI E COSTRUZIONI AUTOSTRAD E S.p.A. U.S. \$ 75,000,000 Medium Term Loan. Istituto per la Ricostruzione Industriale (IRI). Bank of Montreal, Banque de la Société Financière Européenne, etc.

Revenues were C\$55m against C\$48m. The company said the improvement came mainly from a better performance of the income portfolio and from new properties which came on stream in the last half of 1978.

New Allied Chemical chief

By Our New York Staff

ALLIED CHEMICAL, the giant chemical concern, has caused something of a stir in the executive jobs market by bypassing its own senior executives and appointing an outsider as its new chairman, president and chief executive officer.

Jack Eckerd in \$153m link

CLEARWATER — Jack Eckerd Corporation has agreed in principle to merge Brooks Fashion Stores Incorporated into Eckerd in a share-for-share exchange of stock worth some \$153m.

Weyerhaeuser qualified

Weyerhaeuser's independent auditors, Arthur Andersen, have, as expected, qualified the company's 1978 results because of the company's uncertain liability, stemming from a jury verdict last year against it and two other forest products concerns in clear-cutting suits, AP-DJ reports from Tacoma.

Companies and Markets **INTERNATIONAL COMPANIES and FINANCE**

Sharp recovery at Rhone-Poulenc

By Terry Dodswoorth in Paris

THE SECOND HALF of last year sustained the first half recovery of Rhone-Poulenc, the French chemicals and textiles group, as redevelopment of its troubled textiles division began to take effect.

Group consolidated figures released yesterday show profits recovering sharply from FFr 84m in 1977 to FFr 237m (\$55m). In the two years before 1977 the group ran up losses totalling more than FFr 1.3bn following a dramatic slump from net earnings of about FFr 860m in 1974.

These profits take into account exceptional items of FFr 160m raised from disposals, but were at the same time reduced by FFr 335m for reorganisation expenses in the textiles company.

The accounts indicate that Rhone-Poulenc has achieved these improvements largely by tightening up on its financial controls and overhead costs. Apart from the overhaul of its textiles concern, it has been reducing its workforce steadily for the last two years and expects to shed a further 5,000 employees this year.

Thus, prices went up by only 2.5 per cent last year, while volume sales rose by 5.5 per cent, leading to an overall improvement in turnover of 8 per cent from FFr 23.6bn (\$5.5bn) to FFr 25.5bn.

In line with the group's policy of overseas development now being pursued strongly in the U.S. and Japan, foreign sales reached 59.5 per cent of the total. Exports by the French companies in the group rose by 8.5 per cent.

The group's debt financing was also reduced last year, with

investments being entirely financed out of cash flow. This reached FFr 1.7bn against FFr 1.5bn in 1977 while investments came to FFr 1.4bn.

The French parent company's net profits, after provisions and depreciation, and taking account of a revaluation of FFr 3.5bn, came to FFr 145m against FFr 82.8m in 1977.

After the improvement last year, and a favourable outlook in view of the reorganisation, the group is to propose an increase in dividends from FFr 6 net of taxes to FFr 7 a share.

Italy's state steel losses continue

By Paul Betts in Rome

ITALSIDER, ONE of Europe's largest iron and steel groups, is the giant Italian IRI-Fininvest state steel holding, reported yesterday losses of L 348.5bn (\$41.48bn) last year compared with a loss of L 285bn in 1977.

At the same time, Dalmine, another operating company controlled by IRI-Fininvest, saw its losses nearly doubled from L 37.2bn in 1977 to L 62.4bn (\$7.42bn) last year. Despite an increase in sales revenue and a general recovery of prices this year, nonetheless, proved insufficient to cover the continuing heavy costs of the two Italian state-controlled steel companies.

ITALSIDER's debt interest last year totalled L 506.4bn, or the equivalent of 18.3 per cent of the company's turnover which was L 2,682.9bn (\$320bn) last year, representing a 14.6 per cent increase over the previous year.

Dalmine's turnover last year increased by 17.7 per cent on a year-on-year basis to L 419.7bn (\$499.64bn) while debt interest rose from L 42.5bn in 1977 to L 49.8bn. The company's medium-term debt rose to L 191.8bn at the end of 1977 to L 344.1bn at the end of last year, while short-term debts were reduced from L 150bn to L 86.6bn over the equivalent period.

ITALSIDER last year produced 10.4m tonnes of steel while Dalmine produced more than 779,000 tonnes of steel tubes. In a communique yesterday, ITALSIDER said depressed market demand had continued to hold back production which fell by barely up on the 10.2m tonnes produced in 1977.

ITALSIDER, which has been particularly hit not only by the general steel crisis but also by a series of structural and financial problems during the past two years, said "some progress" has been made in the company's urgently needed recovery programme.

However, it gave a warning that unless the recently approved financial and structural programme for the recovery of Italy's state steel sector was swiftly implemented, efforts to bring ITALSIDER back into the black, at least in the medium term, would be seriously jeopardised.

"The problem is made all the more urgent in view of the major financial and structural intervention programmes now in course in all the main European steel industries," ITALSIDER said yesterday.

The recovery programme for Italy's state-controlled steel industry, approved at the end of last year by the Government's industrial planning committee, earmarks a total of L1,455bn for the recapitalisation of IRI's troubled operating companies. Of this total, some L1,200bn is to be allocated to ITALSIDER, Italy's largest steel group.

The biggest single restructuring plan, costing at L415bn, involves ITALSIDER's steel plant at Bagnoli in Naples. Bagnoli has traditionally been ITALSIDER's main liability, and the group estimates that the Naples plant will lose a further L300bn between the start and completion of the restructuring programme which is expected to take about three years.

The recently approved state steel recovery programme, due to be officially published later this month, indicates a total expenditure of L1,190bn for projects already underway; about L1,250bn for new projects; L750bn for industrial reconversion; and L1,750bn for both the working capital and reduction of short-term debt of state-controlled steel companies.

IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In the Matter of PENN CENTRAL TRANSPORTATION COMPANY, Debtor 70-347

NOTICE OF EXCHANGE AND AVAILABILITY OF NEW SECURITIES OF THE PENN CENTRAL CORPORATION

Pursuant to Orders entered by the United States District Court for the Eastern District of Pennsylvania (Reorganization Court), the Plan of Reorganization (Plan) for Penn Central Transportation Company became effective on October 24, 1978 (Consummation Date), at which time the name of Penn Central Transportation Company was changed to The Penn Central Corporation. First Pennsylvania Bank N.A., and its agent, Fund/Plan Services, Inc., Philadelphia, Pennsylvania has been named Exchange Agent for the purpose of distributing cash and securities of The Penn Central Corporation to the claimants entitled thereto pursuant to the Plan. At the same time, the Reorganization Court directed that no distribution be made to holders of certain bonds which were the subject of appeals which had been filed by the trustees under the indentures securing such bonds. For those appeals which have now been finally resolved the Reorganization Court has directed that distribution of cash and securities should commence after March 27, 1979.

BONDS NOW ELIGIBLE TO BE EXCHANGED

Holders of the following bonds will, upon surrender of such bonds, be entitled to receive cash and securities of The Penn Central Corporation in accordance with the Plan:

- New York Central and Hudson River Railroad Lake Shore Collateral Trust 3 1/4% Bonds due February 1, 1998;
- New York Central and Hudson River Railroad Consolidation Mortgage 4% Series A Bonds due February 1, 1998;
- New York Central Railroad 6% Collateral Trust Bonds due April 15, 1990;
- Penn Central 6 1/2% Collateral Trust Bonds due April 15, 1993;
- Mohawk and Malone Railway First Mortgage 4% Bonds due September 1, 1991.

EXCHANGE PROCEDURES

A Letter of Transmittal with Instructions for surrendering any of the above listed securities of Penn Central Transportation Company in exchange for cash and securities of The Penn Central Corporation has been mailed to each holder of these securities as of March 27, 1979, whose address was known. These documents were not mailed to many holders whose addresses are unknown, or whose identities are not known because their securities are in bearer form. If you own any of the securities listed above and you have not received a Letter of Transmittal, you may obtain a copy by completing the form below and mailing it to the Exchange Agent. Separate Letters of Transmittal must be submitted for each Penn Central Transportation Company bond issue you surrender for exchange.

SPECIAL NOTICE CONCERNING BONDS NOT TO BE ACCEPTED FOR EXCHANGE AT THIS TIME

There is a possibility that the treatment under the Plan for the following bonds will be the subject of further judicial review:

- New York Central and Hudson River Railroad Refunding and Improvement Mortgage 4 1/4% Series A Bonds and 5% Series C Bonds due October 1, 2013;
- New York Central and Hudson River Railroad Michigan Central Collateral 3 1/2% Bonds due February 1, 1998.

The Reorganization Court has not authorized distributions to holders of these bonds. The Court has reserved jurisdiction to authorize and direct the distribution of whatever amounts of cash and securities to which such bondholders are ultimately determined to be entitled as a result of the appeals or proceedings on remand after the appeals. Consequently, at this time the Exchange Agent will not accept any of these securities for exchange. If you deliver for exchange any of these bonds, the Exchange Agent will return the bonds to you.

First Pennsylvania Bank N.A. c/o Fund/Plan Services, Inc. P.O. Box 8717 Philadelphia, PA 19101

Please send a Letter of Transmittal with Instructions in respect to the Plans of Reorganization for Penn Central Transportation Company, Debtor, to:

Name _____ (PLEASE PRINT)
Street _____
City _____ State _____ Zip Code _____
Name of Bond _____

Linde expects more growth

By Andrew Fisher in Frankfurt

LINDE, THE West German engineering and construction group, is hoping for further turnover and earnings growth this year after a 10 per cent rise in 1978 net profits to DM37m (\$19.8m).

If 1979 turned out to be a normal year, Herr Hans Meinhardt said on behalf of the management board, turnover should expand at a broadly similar rate to previous years and profits be satisfactory.

But events in the Middle East, coupled with the possible effect on public opinion of the nuclear power accident in the U.S., showed just how vulnerable energy supplies were.

Herr Meinhardt said that turnover, which increased by 8.5 per cent to DM1.83bn in 1978, would not grow sharply in 1979, but he declined to make any definite sales and profit forecasts because of the doubts over energy and exchange rates.

Last year's record result, with pre-tax profits up by nearly 13 per cent to DM 107m, has prompted the board of the Wiesbaden-based company to pay a special bonus to shareholders of DM 1.50 to mark its hundredth year in business, as well as a maintained DM 8 dividend on the DM 50 shares. Shareholders resident in Germany will receive a total of DM 14.64.

Linde achieved a slightly improved turnover of DM 373m in the first quarter of 1979, but the order inflow was 35 per cent lower than the DM 426m of a year ago because the comparative figure included one major petrochemical plant order for DM 300m.

The company plans to raise its capital investments in 1979 over last year's DM 81m, slightly more than half of which went on equipment replacement and rationalisation, and to concentrate spending on its gas, mechanical handling, hydraulic and plant-building sectors.

Dutch engineer trims deficit

By Charles Batchelor in Amsterdam

VMF-STORK, the troubled Dutch engineering group, almost halved its losses in 1978 with the operating deficit falling to Fl 34.3m (\$17.1m) from Fl 69.3m.

After making provisions of Fl 29m for restructuring costs—sharply down from the Fl 73.6m of 1977—but setting aside Fl 12.5m to meet unspecified political risks, the total loss was Fl 75.8m, against Fl 132.9m the year before.

VMF benefited considerably from the deconsolidation of its Workshop diesel division in which it now has a shareholding of just under 50 per cent after the state participation. Diesel losses attributable to VMF were Fl 16.9m last year, compared with Fl 42.5m.

New orders in 1978 increased by 15 per cent and year end order books rose by Fl 32m to Fl 1.73bn.

Political and economic developments in VMF's most important foreign markets "with significant influence" in 1979 result and stringent policies to restore profitability are still necessary, the company said. It will shut down any activities which appear unlikely to be profitable in the foreseeable future.

The full year's figures show that VMF continued to cut its losses in the second part of the year after reporting an operating loss of Fl 24.9m in the first 32 weeks. The Dutch government has given the company a total of

Fl 235m in aid as part of a Fl 1bn programme to revamp the shipbuilding and heavy engineering industries.

The merchant bank subsidiary of the Amsterdam-Rotterdam Bank, Pierson, Holding and Pierson, increased after-tax profits by 45 per cent last year as a result of higher income from interest and foreign exchange, an expansion in credit portfolio and more activities overseas.

Pierson posted an after-tax profit of Fl 16.3m (\$8.15m) compared with Fl 11.2m in 1977. Its balance sheet total rose to Fl 4.1bn from Fl 3.6bn. The bank's credit portfolio rose by 29.5 per cent.

Upsurge at Thomson Ericsson

By Our Paris Staff

THE FORMER French subsidiary of Sweden's L. M. Ericsson telephone group—now known as Thomson Ericsson—has reported stronger profits and marked improvements in turnover and new orders.

The company, which came into the orbit of the French Thomson-Brandt group in moves three years ago to "Frenchify" the telephone industry, almost doubled its net earnings to FFr 30.5m (\$7.1m) from FFr 15.8m in 1977. The Board said the company had marked its recovery "on both the financial and the operating levels" from the loss-making position which Thomson received as a legacy in 1976.

The upturn resulted largely from high technical standards and the efforts of the two main

shareholders, Thomson-CSF (telecommunications and electronics subsidiary of Thomson-Brandt) and L. M. Ericsson.

The Swedish group retained a minority interest after selling part of its controlling stake to Thomson, which also acquired a smaller shareholding from the other main French electrical group, Compagnie Generale d'Electricite (CGE).

The move was part of a double manoeuvre which involves Thomson-CSF's taking majority control of one of TIT's French subsidiaries, Le Material Telephonique (LMT). Thomson Ericsson's turnover was 20 per cent higher last year at FFr 1.3bn (\$300.9m) compared with FFr 1.1bn. Inflow of new orders was up 13 per cent on the previous year at FFr 1.48bn. Orders included

several African contracts for its "Axe" telephone exchanges.

The company is pinning considerable sales hopes on the export market for small automatic exchanges. Two new models at the bottom end of the range were brought on to the market late last year.

Generale de Service Informatique a member of the CGE group and a leading French computer services company has acquired a 60 per cent interest in Seresco, a Spanish company in the same field, from the Banco Industrial de Catalana. AP-IB reports from Paris. The latest acquisition will bring GSE's annual turnover to more than FFr 600m. Seresco has a reported 26 per cent share of the Spanish computer services market.

Dresdner Bank earns more and holds payout

By Our Frankfurt Correspondent

DRESDNER BANK, the second largest commercial bank in West Germany lifted its net profit by nearly 10 per cent last year to DM 223m (\$119.4m) and is holding its dividend at DM 9 per DM 50 share.

The inclusion of the tax loss to which shareholders in Germany are now entitled, the total distribution comes to DM 14.06, the same as that announced earlier this week by Deutsche Bank.

The dividend will cost Dresdner DM 153m, with the remaining DM 70m of the parent bank's earnings going into the reserves. In 1977, the bank made a net profit of DM 203m.

The bank, which will announce its full results next week, said yesterday that its total reserves amounted to DM 2,030m, this comprised DM 900m in basic capital and DM 1,130m in other reserves.

One of the components of the bank's total reserves is DM 17.3 per cent of last year's net profits to DM 30m (\$15.2m). It, too, is having a maintained dividend of DM 9 or 18 per cent.

The bank said it was satisfied with its progress in 1978, with credit volume up by some 13 per cent to DM 17.4bn and the balance sheet total by 17 per cent to DM 46.5bn. Bayernhypo plans to open offices in London and Sao Paulo this year.

Technical subsidiaries group net profits slipped from DM 124m to DM 115.2m. The bank said the 1977 figure had been inflated by an extraordinary profit from one of its subsidiaries but declined to be precise. The group's net assets total last year rose up by nearly 18 per cent to DM 64.7bn.

Profit's slip for Belgian engineer

By Our Financial Staff

ANOTHER YEAR of depressed trading was unveiled yesterday by Ateliers de Constructions Electriques de Charleroi, the major Belgian manufacturer of heavy machinery.

At the net level, profits for 1978 have slipped to FFr 52.8m (\$1.8m) from FFr 71.1m suggesting a sharp squeeze on margins and leaving the company with a seven-year record that includes only four years of actual profits, after tax.

Sales last year were virtually unchanged at FFr 12.8bn (\$430m).

Swiss franc rise causes fall in turnover at Forbo

By John Wicks in Zurich

GROUP SALES of the Swiss-based Forbo Group, international producer of floor and wall coverings, dropped from SwFr 455m to SwFr 449m (\$264m) last year.

The group's consolidated net income fell from SwFr 16.11m to SwFr 15.25m (\$8.97m) after increased fixed-asset depreciations of SwFr 19.24m (SwFr 17.24m). Consolidated cash flow was thus higher at SwFr 34.5m (SwFr 33.36m).

The fall in turnover was a result of the Swiss franc's appreciation. Calculated at unchanged currency values, group sales would have totalled SwFr 538m in 1978. Cashflow would then have been at SwFr 38m and net income up to SwFr 18.8m.

Net profits of the parent company Forbo AG, Zurich, was slightly lower last year at SwFr 10.12m (SwFr 10.44m). The board will recommend to the May 17 annual general meeting distribution of unallocated dividends for the year of SwFr 60 per "A" share, and SwFr 240 per "B" share.

Swiss insurance group Winterthur Versicherungen reports good results from improving insurance business for 1978. Reuter reports from Winterthur. Payments of claims increased less than premium income, costs were kept in check and capital earnings increased, the board declares in a letter to shareholders.

Assuag buys 85% of U.S. group

By Bri Khindaria in Geneva

SWISS watch-making groups Assuag has bought an 85 per cent stake in an American electronic components company, Statek Corporation of California. Statek, with a turnover of \$4m, specialises in the manufacture of quartz controlled leaf tuning forks and

quartz crystal resonators used in the newest quartz and digital watches. Assuag's purchase reflects the attempt by Swiss watch-makers to fight back against the increasing loss of their traditional export markets to American and Japanese watch-makers.

Sal. Oppenheim jr. & Co.
Bankers since 1789



Summary of our Annual Report 1978

1977		1978
DM 2,864 million	Business Volume	DM 3,149 million
DM 2,642 million	Total Assets	DM 2,792 million
DM 2,362 million	Deposits	DM 2,457 million
DM 1,509 million	Bills and Advances	DM 1,852 million
DM 110 million	Capital	DM 115 million
DM 7,861 million	Consolidated Total Assets	DM 8,520 million

The Partners
Cologne/Frankfurt, April 1979

Barclays Bank Base Rate

Barclays Bank Limited and Barclays Bank International Limited announce that with effect from the close of business on 6th April, 1979, their Base Rate will be decreased from 13% to 12% per annum.

The basic interest rate for deposits will be decreased from 10 1/2% to 9 1/2% per annum.

The new rate applies also to Barclays Bank Trust Company Limited



107 St. 54 Lombard Street, EC3P 3AR Reg. No's 2536, 2536b and 2536c.

Ansett takes full ASL write-off

By James Forth in Sydney

ANSETT Transport Industries has decided to write off its entire investment in the failed finance company Associated Securities Ltd. (ASL). This follows the release of the estimate by the receivers of ASL that only the first charge secured debenture holders would be repaid in full, with second charge debenture holders receiving back some of their principal. Ansett holds a 48.4 per cent shareholding in ASL in ordinary and convertible preference shares. The Ansett directors had already written off A\$9.4m (US\$10.6m), representing the investment in ordinary shares and the reserves of associated companies. The Ansett board said that after considering the comments of the receivers on the ASL directors' statement of affairs, they had also decided to provide in full for the A\$10m in preference shares. This brings the total ASL write-off by Ansett to A\$19.4m. The directors said that the losses would be applied to reducing shareholders' funds rather than be charged against trading profits.

MEDIUM-TERM CREDITS Fine terms for Brazilian bank

BY ROSEMARY BURR

BANCO NACIONAL do Desenvolvimento Economico, the Brazilian state-owned development bank, is raising a two-tranche \$250m loan. The margin over interbank rates on a 10 year \$125m portion is 1 per cent and on a 12 year \$125m portion 1.5 per cent. The grace period is six years in each case. The terms on both tranches are the finest for a Brazilian borrower in the current cycle. The deal is being led by the Bank of Montreal, which is currently assembling a management group. Spreads on Brazilian credits have fallen particularly sharply this year. At the start of 1979 a margin of 1 per cent on a 10 year Brazilian deal was common. In February Nuclebras, the nuclear agency, broke the 1 per cent barrier and raised a \$50m 10 year credit through West-

deutsche Landesbank at a spread of 1.5 per cent. As for 12 year credits, a spread of 1.5 per cent was usual at the end of last year. This rate was breached in early February on the 12 year \$360m tranche of Eletrobras' \$400m loan. This latter carried a spread of 1 per cent for the first six years, rising to 1 per cent for the following three years and 1.5 per cent for the rest. The Algerian state oil company, Sonatrach is arranging a \$125m loan through Deutsche Bank, writes Francis Ghiles. The borrower is paying a spread of 1.5 per cent for ten years with a grace period of 4.5 years. Despite very favourable terms this credit is not tied to German export credits nor is it guaranteed by the German export credit organisation, Hermes.

AUSTRALIAN BONDS Tap system planned

CANBERRA—The Australian Government is to change its method of selling Commonwealth bonds to a tap system from the present method of period cash and/or concession offers, Mr. John Howard, the Treasurer, said.

The decision was approved at a special meeting of the joint federal/state Loan Council and the change is expected in the second half of 1979 after completion of legal and technical processes. The system proposed aims at having three or four securities available for investors more or less continuously through the year. The loan council will continue to determine the maturity date and coupon of the securities to be issued on tap and will from time to time establish limits within which yields may be varied by the Federal Government without further consultation with the states in the Loan Council. The Reserve Bank will act as agents for the Commonwealth in offering bonds. The Loan Council also agreed that the reserve bank would sell Treasury notes by periodic tender, replacing the present system whereby notes are available on continuous issue at Government-determined prices. Reuter

DISINVESTMENT IN INDIA Public issue by TI

BY K. K. SHARMA IN NEW DELHI

TUBE INVESTMENTS of India will enter the market on April 16 with a public issue of 550,000 equity shares of Rs10 each at par in order to comply with requirements of the Foreign Exchange Regulation Act (FERA) and to finance a Rs9m (\$1.1m) project to manufacture the structural, Z-Purlin. The new plant will have a capacity of 6,000 tonnes a year. The proceeds of the public issue apart, Tube Investments has obtained a loan of Rs33.5m to finance the project, which is expected to be commissioned in 1980. It will add Rs30m to the company's annual turnover. According to Mr. M. V. Arunachalam, managing director of the company, its foreign holding will come down from 45.87 per cent to 40 per cent with the public issue. The company is an offshoot of Tube Investments of the UK, and has two divisions—to manufacture bicycles and its parts, and steel tubes and cold rolled strips. The Indian company has two subsidiaries manufacturing chains and cycle lamps. The sales turnover was around Rs229.7m (\$28m) in 1978 and increased to Rs262.1m in 1977, but declined to Rs215.1m in 1978, as a result of prolonged labour troubles in the bicycle division. The company has been paying an annual dividend of 10 per cent for the past 20 years. For 1978, however, the company has declared an interim dividend of 6 per cent, and the new shareholders will be eligible for the final dividend. Mr. Arunachalam says that the company's bicycle section has substantial unutilised capacity. It hopes to manufacture 400,000 bicycles this year compared with its licensed capacity of 700,000 bicycles. The licensed capacity of the tube division is 30,000 tonnes and the company hopes to produce 27,500 tonnes this year.

Sharp gain at Israeli investment company

By L. Daniel in Tel Aviv

THE Israel Discount Bank Investment Company—the only bank attached investment company which invests heavily in industry and takes an active part in the management of the companies concerned—has reported a record net profit for 1978 of I£107.2m (\$85m) to show a rise of 121 per cent on the preceding year. Net earnings per share, after dilution, came to 78 per cent of the nominal value, as compared with 43 per cent in 1977. The corporation's total assets reached I£8.6bn (\$400m) at end-1978, a gain of 58 per cent on the year. Capital and reserves came to I£411m, up 67 per cent. The investment portfolio stood at I£388m, a rise of 69 per cent. The division of investments was 47.7 per cent in industry, 30.6 per cent in banking, insurance and services, 11.8 per cent in shipping, 7.9 per cent in real estate, and 3 per cent in oil. The value of the unit fund portfolios managed by the corporation was I£6.3bn, with the assets having nearly trebled since 1976. Last December, shareholders were paid a gross cash dividend of 18 per cent, plus 30 per cent in bonus shares, against 18 per cent and 25 per cent, respectively, for 1977.

Little change in UIC profit

By H. F. Lee in Singapore

LEADING Singapore detergent manufacturer, United Industrial Corporation (UIC), has reported group pre-tax profit of S\$4.26m (U.S.\$1.95m) for the six months ended January 1979. The first-half figure was little changed from that recorded during the same period previously despite a 6.3 per cent rise in the turnover to S\$22.3m. UIC also reported an extraordinary gain on the sale of fixed assets amounting to S\$427,000.

William Jacks

Discussions which followed the announcement by William Jacks and Co. (Malaya) that it had received an approach from a party interested in acquiring its 50.2 per cent holding of Ordinary shares in William Jacks and Company have now been terminated, the company announced yesterday.

The Mitsui Trust and Banking Co., Limited

Negotiable Floating Rate U.S. Dollar Certificates of Deposit
Maturity date 6th October 1980

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the six month interest period from 6 April 1979 to 9 October 1979 the Certificates will carry an Interest Rate of 10 1/4% per annum.

Agent Bank
The Chase Manhattan Bank, N.A., London

CHANGE OF ADDRESS & TELEPHONE

NOMURA EUROPE N.V.

HEAD OFFICE - AMSTERDAM

We are pleased to announce that we are moving from Sarphatistraat 33-35, Amsterdam to new premises which are located at

De Boelelaan 7
1083 HJ Amsterdam-Buitenveldert

where we will be available as from

Monday 9th April, 1979

New Telephone: Telex: (unchanged)
General: 020-44 48 60 General: 16406 NOMS NL
Forex: 020-46 21 50 Forex: 17053 NOMB NL

CLIVE INVESTMENTS LIMITED

1 Royal Exchange Ave., London EC3V 3LU. Tel: 01-263 1101.
Index Guide as at April 3, 1979 (Base 100 on 14.1.77)

Clive Fixed Interest Capital	156.31
Clive Fixed Interest Income	128.29

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.

48 Cornhill, London, EC3V 3PB. Tel: 01-623 6314.
Index Guide as at April 5, 1979

Capital Fixed Interest Portfolio	104.50
Income Fixed Interest Portfolio	113.10



National Westminster Bank

NatWest announces that with effect from Friday, 6th April, 1979, its Base Rate is reduced from 13% to 12% per annum.

The basic Deposit and Savings Account rates will be reduced from 10 1/2% to 9 1/2% per annum.



GENOSSENSCHAFTLICHE ZENTRALBANK AKTIENGESSELLSCHAFT

Vienna

U.S. \$40,000,000 Floating Rate Notes Due 1983

For the six months 6th April, 1979 to 9th October, 1979 the Notes will carry an interest rate of 10 1/4% per cent. per annum.

Listed on the Luxembourg Stock Exchange.
By: Morgan Guaranty Trust Company of New York, London Agent Bank

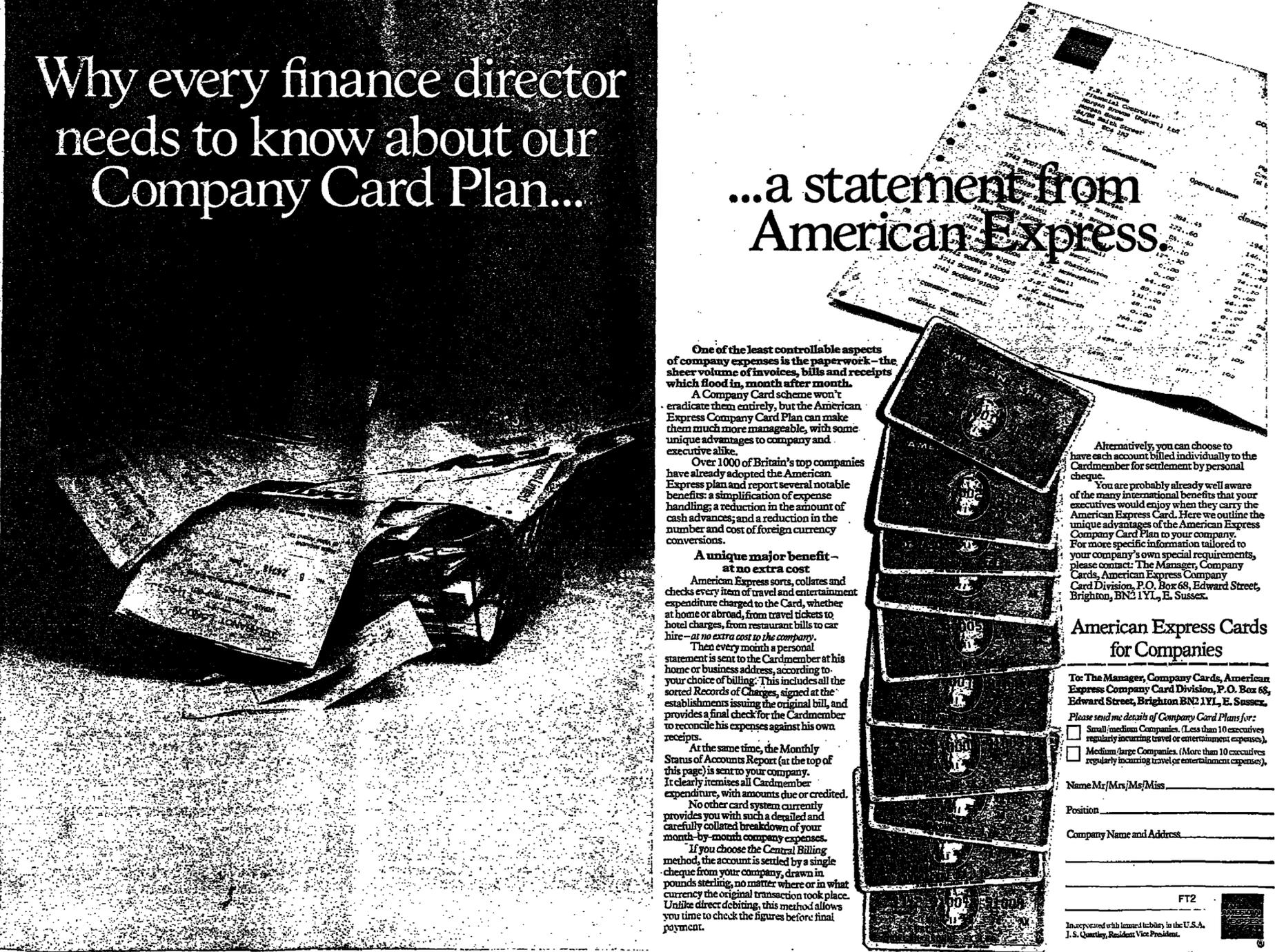
Doom Dooma to shed 26%

By Our New Delhi Correspondent

DOOM DOOMA Company, a wholly-owned subsidiary of Brooke Bond Leibig (BBL) of the UK, which has three tea estates in Dibrugarh district of Assam State, plans to shed 26 per cent of its foreign equity holdings, so as to comply with the requirements of the Foreign Exchange Regulation Act (FERA).

Why every finance director needs to know about our Company Card Plan...

...a statement from American Express.



One of the least controllable aspects of company expenses is the paperwork—the sheer volume of invoices, bills and receipts which flood in, month after month.

A Company Card scheme won't eradicate them entirely, but the American Express Company Card Plan can make them much more manageable, with some unique advantages to company and executive alike.

Over 1000 of Britain's top companies have already adopted the American Express plan and report several notable benefits: a simplification of expense handling; a reduction in the amount of cash advances; and a reduction in the number and cost of foreign currency conversions.

A unique major benefit—at no extra cost

American Express sorts, collates and checks every item of travel and entertainment expenditure charged to the Card, whether at home or abroad, from travel tickets to hotel charges, from restaurant bills to car hire—at no extra cost to the company.

Then every month a personal statement is sent to the Cardmember at his home or business address, according to your choice of billing. This includes all the sorted Records of Charges, signed at the establishments issuing the original bill, and provides a final check for the Cardmember to reconcile his expenses against his own receipts.

At the same time, the Monthly Status of Accounts Report (at the top of this page) is sent to your company. It clearly itemises all Cardmember expenditure, with amounts due or credited.

No other card system currently provides you with such a detailed and carefully collated breakdown of your month-by-month company expenses.

If you choose the Central Billing method, the account is settled by a single cheque from your company, drawn in pounds sterling, no matter where or in what currency the original transaction took place. Unlike direct debiting, this method allows you time to check the figures before final payment.

Alternatively, you can choose to have each account billed individually to the Cardmember for settlement by personal cheque.

You are probably already well aware of the many international benefits that your executives would enjoy when they carry the American Express Card. Here we outline the unique advantages of the American Express Company Card Plan to your company. For more specific information tailored to your company's own special requirements, please contact: The Manager, Company Cards, American Express Company Card Division, P.O. Box 68, Edward Street, Brighton, BN2 1YL, E. Sussex.

American Express Cards for Companies

To: The Manager, Company Cards, American Express Company Card Division, P.O. Box 68, Edward Street, Brighton BN2 1YL, E. Sussex.

Please send me details of Company Card Plans for:

- Small/medium Companies. (Less than 10 executives regularly incurring travel or entertainment expenses).
- Medium/large Companies. (More than 10 executives regularly incurring travel or entertainment expenses).

Name Mr/Mrs/Ms/Miss _____

Position _____

Company Name and Address _____

FT2

Incorporated (with limited liability) in the U.S.A. J.S. Quantley, Resident Vice President.



Lloyds Bank Interest Rates

Lloyds Bank Limited has reduced its Base Rate from 13% to 12% p.a. with effect from Friday 6th April 1979.

The rate of interest on 7-day notice Deposit accounts and Savings Bank accounts is reduced from 10½% to 9% p.a.

The change in Base Rate and Deposit account interest will also be applied from the same date by the United Kingdom branches of

Lloyds Bank International Limited
The National Bank of New Zealand Limited
and by
Lewis's Bank Limited

You don't have to be a banker to benefit from reading The Banker.

Every month The Banker presents a unique review of the world's financial and economic news. Essential reading for executives in banking, finance and industry, its balanced viewpoint and broad approach to national and international affairs has earned it a high reputation as a prime source of important banking and financial information.

THE BANKER
the journal of international finance

Published by the Business Publishing Division of the Financial Times Limited,
Registered Office: Brecken House, 10 Cannon Street, London EC4A 3DF

Sweet smell— hard sell

BY COLLEEN TOOMEY

WITH around 600 men's and women's perfumes, colognes and eau de toilettes all jostling for a share in the British market, it is small wonder that manufacturers are fiercely competitive. As one of the fastest growing sectors in the cosmetics and toiletries industry, fragrances are now worth over £100m in annual sales and are expected to increase that figure by 15 per cent this year.

Recognising that money was to be made in this generally lucrative, but volatile, industry some giant companies outside the cosmetics world have dipped in to take a share of the profits. Many have, however, struggled in recent years to break even and only now, after considerable rationalisation and reorganisation in some companies, have losses turned to profits.

"The days of the small, imaginative entrepreneur are over," one perfumer said. "It's up to the big boys—the multi-nationals, which can afford the gamble, and can afford to invest time and money in the hope of coming up with an ace."

Haarmann and Reimer, a Bayer subsidiary which produces fragrances for the industry believes that this year, manufacturers are "at sea" in their attempts to produce that ace.

So what was a new company called Parfums Roberre, launched six months ago under the Elida Gibbs/Unilever umbrella, thinking of when last week it brought out the first of three new fragrances? Nino Cerruti is a men's fragrance range named after a leading fashion designer in Paris. It is up-market, will initially only be sold in a dozen stores in Britain, and is unlikely to make much more than a dent on the market share list.

So far, Roberre has spent around £200,000 on research, design and initial manufacture. A similar amount has been spent on "theme" advertising. But like any fragrance, Nino Cerruti's success hangs on a thin thread of expert marketing.

Mr. Roy Callow, sales and marketing director of Parfums Roberre with 15 years' experience in Unilever behind him, is confident that the company decision to sell the product as an exclusive, up-market one will pay off. "Success," Mr. Callow says, "depends not so much on launching a wildly exciting product but on packaging and presentation." The prospects for making a successful in-road in the men's market are good; in spite of the centuries-old habit of using perfume, it has been only in the last decade

that men have more widely accepted perfumed products, led on probably by the launch of Shulton's Old Spice in the late 1950s.

The comparative newness of mass-marketed men's fragrances is clearly illustrated by the amount spent on advertising. Last year only £2.75m was spent promoting men's products against nearly £5m for women's fragrances. However, a further 45-50 per cent of advertising expenditure goes into special offers and in-store promotions.

ICI took on Goya's operations almost four years ago from the Christopher Collins family. It cost around £1m and had a turnover of £3m. Sales have subsequently risen to £5m but the company has only just turned the corner after pre-tax losses over the past two years.

BAT Industries' cosmetics division, including the Houses of Yardley, Lenthéric, Morny, Cyclax, Juvena, Germaine Montell and Tavache, manufactures over 3,000 different items in 38 different countries. Its cosmetics companies combined make up the largest British-owned group and out-sold any other in the UK with a turnover in 1977 of £105m.

It was Yardley which sped up the growth of the industry more than a decade ago with its perfume mini-spray innovation. The market was already receptive to new ideas, largely resulting from Avon's door-to-door selling techniques.

Unilever has also taken a stake in the sector. Its Elida Gibbs subsidiary, which makes shampoos, toothpastes, bubble baths, and sun glasses, among other things, focused its attention on the perfume market in 1974 with the launch of a women's range called Stowaway.

The following year it launched Denim for men which, according to Mr. Callow, then a marketing executive, has been "violently successful" and is now one of the top three men's fragrances.

A champion of the fragrance industry is Revlon, a U.S. company which in the spring of 1973 launched a new fragrance that took the industry by storm. It was christened Charlie. By the end of last year it was Revlon's biggest contributor to sales and had the lion's share of the market, boosted by the Charlie cosmetics range. Revlon's hunch that Charlie would succeed as a "young-sexy" career-girl product paid off handsomely and produced a spate of imitators, none quite so successful as the Revlon original.

Unilever's Elida Gibbs suc-



Advertisement for one of ICI's Goya products.

ceeded with its Stowaway range with almost the opposite approach. Launched in Britain in 1974, Stowaway claimed to be everything Charlie wasn't: escapist, romantic. In its first year the perfume range made a significant contribution to sales. But the product turned out to be ill-conceived.

Stowaway was over-packaged, under-priced and the perfumes were regarded as "mediocre." After a complete overhaul the following year the range was successfully launched in Europe. Since then, Elida Gibbs claims it has 2 per cent of the UK market share, not inconsiderable given the number of fragrances on the market.

As a measure of Stowaway's success—and determination not to loosen its grip in the competitive field—the company spends around £400,000 a year advertising the product. Its chief competitors are Avon, with 12 per cent of the UK market for its range of products, followed by BAT's Lenthéric, Morny with 10 per cent.

Denim, Elida Gibbs' men's range proved even more successful. From its inception in 1975 the fragrance has increased its market share from 1 per cent to 8 per cent last year (Meal figures). That makes it third in the league behind Faberge's Brut with 24 per cent and Shulton's Old Spice with 15 per cent.

The figures for the last three months of 1978 give a slightly fuller picture. According to a recent IPC survey on cosmetics and toiletries, sales during those crucial months before Christmas put Faberge's Brut

first with 48 per cent of the market. Avon with 13 per cent, Shulton's Old Spice with 7 per cent and Elida Gibbs' Denim with 8 per cent were other brand leaders.

Those were the successes. But currently there are rumours in the closely-knit industry that four companies are up for sale.

Reports in January that French-owned L'Oreal was negotiating to buy Helena Rubinstein from Colgate-Palmolive were finally quashed when both companies admitted they could not agree on a price. Any sale of Rubinstein in Britain would involve Pfizer's Coty, which merged with Rubinstein last September. Since then a mass exodus of management in both companies has taken place.

The departures following the merger were described by Helena Rubinstein as "purely coincidental." "There are very good people in the industry, the demand for them is great, and the turnover in cosmetics executives is high," a company spokesman said.

Even with the loss of top managers, Rubinstein is confident of turning Coty's pre-tax loss of £404,000 into a profit and of boosting sales from its 1977 level of £10.27m.

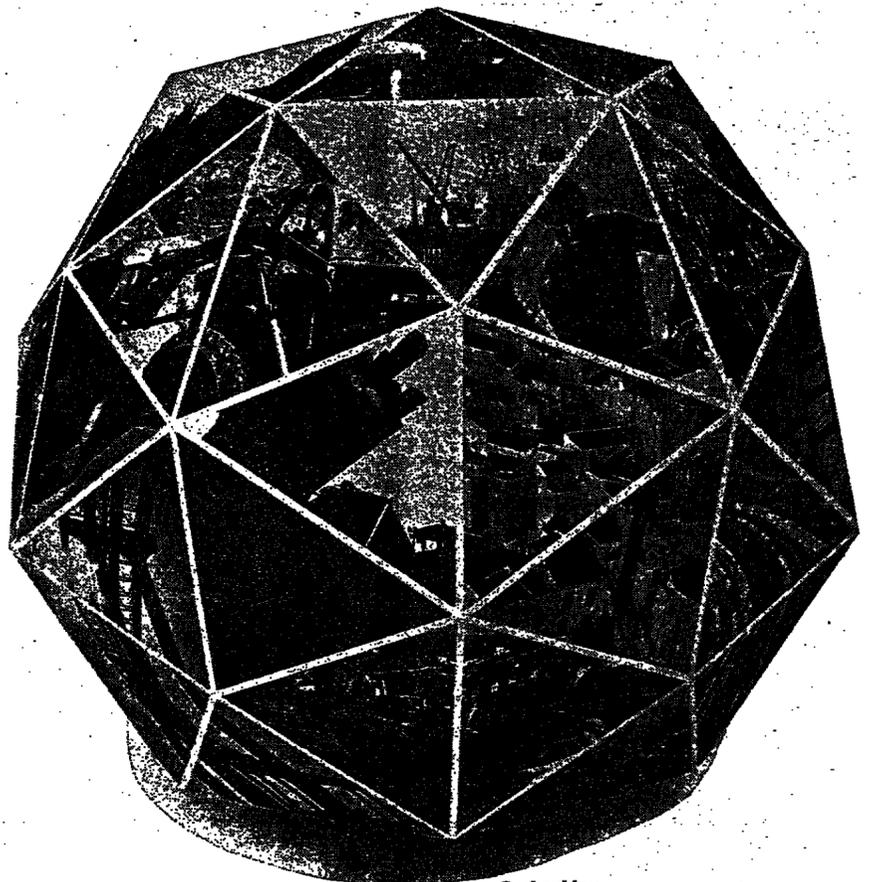
The industry appears more confident of the next few years than some analysts. According to one analyst, it will see little growth—either in volume or real terms—for the next two years before reaching a new peak, similar to that of the mid-1970s. Another, however, predicts further growth in sales this year of between 12-15 per cent. Time will tell.

GEOBANKING

The Manufacturers Hanover Way
of Worldwide Banking



Geobanking.
A massive copper mine in Mexico.
A nuclear plant for the world's largest power company.
A shipment of grain for Eastern Europe.
Geobanking.
It is money moving and working around the world.
It is the Manufacturers Hanover way of worldwide banking.
Unlike most major international banks, Manufacturers Hanover does not enter a region or a country with a rigid operational philosophy. Instead, it adopts a way of banking that works best for a particular place at a particular time.



Geobanking.
In some countries, it dictates the opening of full-service banking offices, such as the Manufacturers Hanover branch in Frankfurt.
In others, it calls for the setting up of a specialized subsidiary, such as Manufacturers Hanover Asia, Ltd., the Hong Kong merchant bank.
And elsewhere, it may mean reliance on representative offices working with indigenous banking systems to form one of the most extensive correspondent networks of any U.S. bank.

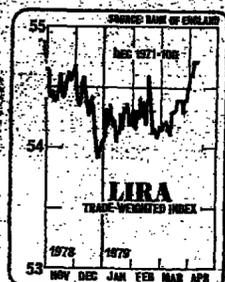
Geobanking.
It is wholly responsive, since it fine-tunes banking to national and regional needs.
It is flexible, admitting swift adjustment to changes in prevailing conditions.
And Geobanking enables Manufacturers Hanover to marshal strengths from the worldwide resources of a \$40 billion organization.

MANUFACTURERS HANOVER
The banking source. Worldwide.
Headquarters office: 350 Park Avenue, New York, N.Y. 10022

CURRENCIES, MONEY AND GOLD

Pound & dollar very strong

The dollar and sterling were against the D-mark to very firm in the foreign exchange market yesterday.



The high touched in February last year. The noon and opening quotations were unchanged from the previous close, at 66.5.

In terms of the dollar, the pound opened at \$2.0665-2.0678 and ended to a low point of \$2.0660-2.0670 before touching \$2.0745-2.0755 in the afternoon.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 65.5, but the U.S. currency rose to DM 1.8870 from DM 1.8825.

THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, 3 months, 6 months. Rows include U.S., Canada, Netherlands, Belgium, Denmark, Ireland, W. Ger., Portugal, Spain, Italy, Norway, Sweden, Japan, Austria, Switz.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, 3 months, 6 months. Rows include U.K., Ireland, Canada, Netherlands, Belgium, Denmark, W. Ger., Portugal, Spain, Italy, Norway, Sweden, Japan, Austria, Switz.

CURRENCY RATES

Table with columns: Bank rate, Special Drawing Rights, European Currency Unit, Apr. 4, Bank of England, Morgan Guaranty. Rows include Sterling, U.S. \$, Canadian \$, Australian \$, etc.

OTHER MARKETS

Table with columns: Apr. 5, Note Rates. Rows include Argentina Peso, Australia Dollar, Brazil Cruzeiro, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, % change from central, % change from previous, % change from theoretical. Rows include Belgian Franc, Danish Krone, etc.

EXCHANGE CROSS RATES

Table with columns: Apr. 5, Pound Sterling, U.S. Dollar, etc. Rows include Pound Sterling, Deutschmark, Japanese Yen, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: Apr. 5, Sterling, U.S. Dollar, Canadian Dollar, etc. Rows include Short term, 7 days notice, etc.

INTERNATIONAL CAPITAL MARKETS

Milan rates easier

Interest rates showed an easier trend in Milan yesterday, and with the exception of call money, which remained offered at 10 1/2 per cent, period rates were quoted 1/2 per cent lower.

FRANKFURT—Interest rates showed a firmer tendency, where changed with call money rising to 5.40-5.45 per cent from 5.25-5.35 per cent on Wednesday.

BRUSSELS—Deposit rates for the Belgian franc (commercial) were quoted at 7 1/2-7 3/4 per cent for one-month compared with 6.35-6.40 per cent against 5.25-5.35 per cent, where the three-month rate remained at 5.40-5.50 per cent.

PARIS—Money market rates were steady throughout from call money at 6 1/2 per cent through to 12-month money at 7 1/4-7 1/2 per cent.

AMSTERDAM—Interbank money market rates showed very little change yesterday and call money, one and three-month money were all quoted at 7 1/2-7 3/4 per cent, unchanged from previously.

WEST GERMANY—Money market rates were steady throughout from call money at 6 1/2 per cent through to 12-month money at 7 1/4-7 1/2 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

GOLD Firmer trend

Gold rose \$2 to close at \$240 1/2, the highest level of the day. It opened at \$240.241, and was fixed at \$240.50 in the morning and at \$240.65 in the afternoon.

PARIS—Money market rates were steady throughout from call money at 6 1/2 per cent through to 12-month money at 7 1/4-7 1/2 per cent.

AMSTERDAM—Interbank money market rates showed very little change yesterday and call money, one and three-month money were all quoted at 7 1/2-7 3/4 per cent, unchanged from previously.

WEST GERMANY—Money market rates were steady throughout from call money at 6 1/2 per cent through to 12-month money at 7 1/4-7 1/2 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

LONG-TERM LOCAL AUTHORITY MORTGAGE RATES—Nominal 10-year 11 1/2 per cent, 15-year 11 1/4 per cent, 20-year 11 1/4 per cent, 25-year 11 1/4 per cent, 30-year 11 1/4 per cent.

Half-Yearly Statement Gold Fields

The unaudited results of the Group for the half-year ended 31 December 1978 are shown below together with the corresponding figures for the half-year to 31 December 1977 and those for the whole year to 30 June 1978.

Table with columns: Half-year to 31.12.78, Half-year to 31.12.77, Whole year to 30.6.78. Rows include Operating profit, Construction materials, Industrial and Commercial, Mining, Financial, etc.

1. Profit before interest and taxation

Profit before interest and taxation increased by £11.3 million (27 per cent) to £53.5 million. The principal factors were:-

(a) Construction materials Increase £3.4 million (23%). In the United Kingdom and the United States some increase in volume resulted in increased sales and profits.

(b) Industrial and Commercial Increase £3.8 million (54%). This was mainly attributable to significantly higher profits by Azcon as a result of improved steel and scrap markets in the United States.

(c) Mining Increase £0.3 million (8%). In Australia, due to improved production and the continued high tin price, Renison's profits increased.

(d) Financial Increase £1.9 million (19%). This was principally due to higher gold mining dividends.

(e) Associated companies Increase £1.9 million (29%). This was mainly due to higher profits in Gold Fields of South Africa, reflecting increased dividends from the gold mines and higher profits on realisation of investments sold to finance new projects.

2. Net profit attributable to the members of Consolidated Gold Fields Limited

The net profit attributable to the members of Consolidated Gold Fields rose by £6.1 million (40 per cent) to £21.3 million.

3. Interim Dividend The Directors have declared an interim dividend of 0.35108p per share (representing an increase of 10 per cent over that for last year) payable on 31 May 1979 to holders of Ordinary shares registered in the books of the Company at the close of business on 27 April 1979 and to holders of Coupon No. 125 detached from Ordinary share warrants to bearer.

4. Outlook for the year Gold and tin prices continue at buoyant levels and underlying business conditions for construction materials and industrial interests remain sound, but bad weather conditions in the United Kingdom and North America adversely affected operations in these areas in the early part of the second half of the current financial year.

By Order of the Board, P. F. G. ROE Secretary

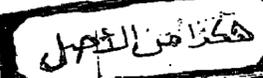
Consolidated Gold Fields Limited

Advertisement for IC Products Company, Warburg Paribas Becker, Inc. featuring \$50,000,000 Subordinated Notes due 1999. Includes contact information for A.G. Becker Incorporated.

Worldwide

Companies and Markets

COMMODITIES and AGRICULTURE



S. Africa expects big citrus crop

By Bernard Simon in Johannesburg
WITH THIS season's citrus exports having just started, the South African Citrus Exchange has announced that exports are likely to reach a record level of 434,550 tonnes, slightly higher than last season's 420,915 tonnes.

Supply threat lifts copper

By JOHN EDWARDS, COMMODITIES EDITOR

COPPER PRICES jumped on the London Metal Exchange yesterday as buying interest in an oversold market emphasised the tight supply position. Cash wirebars gained £3 to £1,031 a tonne, only £2 above the three months' quotation.

Later it was reported that negotiations were continuing with union representatives at the Refinery and Noranda Metal Works.

Sugar area estimate reduced

By Our Commodities Staff

TOTAL PLANTINGS of sugar beet in Europe this year should reach 7,860 hectares, according to F. O. Licht, the independent market commentator.

No joy for pig farmers

By JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

ALL FARMERS know about the classic 'pig cycle'. Reduced supplies raise prices; then higher prices attract farmers to keep more sows which produce more pigs; and the market eventually breaks.

Authority was £92.30 a tonne. At the same time last year it was £73.10. Soya meal, a basic protein in many pig rations, has gone up from £125 to £152 in the past year.

feeds would have probably been at a much lower level. So here is the first impediment in the new pig cycle.

But this will not do much to raise bacon prices for UK producers. The market is already very flat. Bacon prices are at the same level as a year ago.

Europe's farm policy 'too protectionist'

By OUR COMMODITIES STAFF

THE COMMON Agricultural Policy is too protectionist, Mr. D. Metaxa, president of the Grain and Feed Trade Association told corn merchants in London last night.

"Violent" changes in direction by Community policy-makers were also disconcerting for investors, he said, giving as examples policies on milk powder use, attitudes towards imports of cereal substitutes, and the uncertainties caused by the EEC Commission in the starch industry.

Israeli export company loses monopoly

By L. Daniel in Tel Aviv

AGREXCO, the Israeli agricultural export company which handles all fresh produce other than citrus, is losing its monopoly.

Tea auction boycotted

By P. C. Mahanti

THE FIRST tea sale of the new marketing season has failed due to a total lack of bids. Buyers fear they may have to bear the 1 per cent turnover tax being imposed on "dealers" from April 1 in West Bengal.

U.S. should aim for EEC farm prices

By OUR OWN CORRESPONDENT

THE TOP executives of a major American farmers' organisation has said he doesn't think European farm prices are too high. And he believes the quality of life for farmers on the Continent is superior to that of their American counterparts.

Asked about continuing allegations, particularly from Britain, that the EEC's Common Agricultural Policy encouraged inefficiency and artificially high prices, Mr. Lewis said he thought there were many efficient farmers in Europe.

farmers in this country whose situation is deteriorating and getting more desperate. Mr. Lewis, who conceded that his views did not present the orthodox picture of the American farm leader, added that the world needed food prices at the European level in order to provide the economic incentives to grow the larger amounts required in future.

He strongly favoured close collaboration between the U.S. and the world's three other major wheat exporters, Canada, Australia, and Argentina. He said a fair world wheat price currently should be \$4 a bushel.

Wool handlers dispute settled

SYDNEY — The dispute at Woolhandlers (NSW) which has delayed the shipment of 14,000 bales of wool, has been settled, wool trade sources said here yesterday.

BRITISH COMMODITY MARKETS

Table with columns for Commodity, Unit, and Price. Includes sections for BASE METALS, COPPER, CORAL INDEX, and ALUMINIUM.

COFFEE

Table showing coffee prices for Robusta and Arabica grades, including futures and spot prices.

SOYABEAN MEAL

Table showing soyabean meal prices for various grades and origins.

PRICE CHANGES

Table showing price changes for various commodities like Metals, Oil, and Grains.

AMERICAN MARKETS

Table showing American market prices for commodities like Live Cattle, Hogs, and Poultry.

INSURANCE BASE RATES
Property Growth 111%
Vanburgh Guaranteed 10%
Address above under Insurance and Property Bond Table.

ALUMINIUM - Slightly higher with the market moving in line with copper.
COPPER - Higher following the strength of copper. Forward metal opened at £533 and rose to £538, reflecting trade and chartering movements.

GRAINS (GAFTA) - Old crops opened 5-10p higher. In the morning session options remained steady.

WOOL FUTURES
STONEY GREASY - Close in order buyer, seller, business, sales.
Wool futures prices for various grades and origins.

MEAT/VEGETABLES
SMITHFIELD - Pence per pound, Beef Scotch killed since 10.00, forequarters hindquarters 57.0 to 70.0, forequarters 34.0 to 37.0.

EUROPEAN MARKETS
ROTTERDAM, April 1
U.S. No. 2 Dark Hard Winter wheat, 13.5 per cent, April 1979, \$191.50.

COMPANY NOTICES
JAMES BEATTIE LIMITED
NOTICE IS HEREBY GIVEN that the Transfer Books relating to the 5th 3/4% First Mortgage Debentures...

PUBLIC NOTICES
HAMPSHIRE COUNTY COUNCIL
£15 Bills issued 8th April 1979 to 23rd April 1979...

SILVER
Silver was fixed 2.9p an ounce higher for spot delivery in the London Bullion Market yesterday...

RUBBER
FIRM operating on the London physical market. Good covering orders throughout the day...

COCOA
Renewal selling held down values throughout the day and the market reached its previous day's lows at the close, reports Gill and Durif.

INDICES
FINANCIAL TIMES
Apr. 4 Apr. 3 8th Apr. Year Ago
271.01 269.48 271.82 263.85

OBITUARY
MILAN OF KILMAREW, Robert Alexander
Born 1901, died 1978.

ANNOUNCEMENTS
Plymouth City Council
£15 Bills issued 8th April 1979 to 23rd April 1979...

MEAT/VEGETABLES
SMITHFIELD - Pence per pound, Beef Scotch killed since 10.00, forequarters hindquarters 57.0 to 70.0, forequarters 34.0 to 37.0.

COCOA
Renewal selling held down values throughout the day and the market reached its previous day's lows at the close, reports Gill and Durif.

INDICES
FINANCIAL TIMES
Apr. 4 Apr. 3 8th Apr. Year Ago
271.01 269.48 271.82 263.85

INDICES
FINANCIAL TIMES
Apr. 4 Apr. 3 8th Apr. Year Ago
271.01 269.48 271.82 263.85

GOLD SILVER PLATINUM
Buyers-Processors-Refiners
Basic Metal Co Ltd
One-way Walk, London EC1
01-278 6311 Telex: 271159

Sir Victor Seely, Bart.
wishes to announce that he left 17 Old Broad Street on Monday, 2nd April, 1979, as he is two months' time he will be 79 years of age.

MEAT/VEGETABLES
SMITHFIELD - Pence per pound, Beef Scotch killed since 10.00, forequarters hindquarters 57.0 to 70.0, forequarters 34.0 to 37.0.

COCOA
Renewal selling held down values throughout the day and the market reached its previous day's lows at the close, reports Gill and Durif.

INDICES
FINANCIAL TIMES
Apr. 4 Apr. 3 8th Apr. Year Ago
271.01 269.48 271.82 263.85

INDICES
FINANCIAL TIMES
Apr. 4 Apr. 3 8th Apr. Year Ago
271.01 269.48 271.82 263.85

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including Abbey Unit Tr. Mgrs., Abbey Unit Tr. Mgrs. (a), Abbey Unit Tr. Mgrs. (b), etc.

Table of insurance and property bonds including Crown Life Assurance, London Life Assurance, etc.

Table of insurance and property bonds including London Life Assurance, London Life Assurance, etc.

Table of insurance and property bonds including London Life Assurance, London Life Assurance, etc.

Table of offshore and overseas funds including Alexander Fund, Alexander Fund, etc.

OFFSHORE AND OVERSEAS FUNDS

NOTES: Prices are in pence unless otherwise indicated. All prices are subject to change without notice.

FT SHARE INFORMATION SERVICE

INTERNATIONAL FINANCIAL BULLETIN. A quarterly source of fiscal, financial and economic information with expert and in-depth review material.

BRITISH FUNDS

Table of British Funds including 'Shorts' (Lives up to Five Years), Five to Fifteen Years, and Over Fifteen Years. Columns include Stock, Price, Div, and Yield.

BONDS & RAILS—Cont.

Table of Bonds & Rails with columns for Stock, Price, Div, and Yield.

BANKS & HP—Continued

Table of Banks & HP with columns for Stock, Price, Div, and Yield.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics with columns for Stock, Price, Div, and Yield.

ENGINEERING—Continued

Table of Engineering with columns for Stock, Price, Div, and Yield.

AMERICANS

Table of American stocks with columns for Stock, Price, Div, and Yield.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Stock, Price, Div, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Stock, Price, Div, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Stock, Price, Div, and Yield.

CANADIANS

Table of Canadian stocks with columns for Stock, Price, Div, and Yield.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Stock, Price, Div, and Yield.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Stock, Price, Div, and Yield.

INDUSTRIALS (Miscel.)

Table of Industrial (Miscellaneous) with columns for Stock, Price, Div, and Yield.

INTERNATIONAL BANK

Table of International Bank with columns for Stock, Price, Div, and Yield.

CORPORATION LOANS

Table of Corporation Loans with columns for Stock, Price, Div, and Yield.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Stock, Price, Div, and Yield.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Stock, Price, Div, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Stock, Price, Div, and Yield.

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4A 3DF. Telephone: 01-434 3300.

ADVERTISMENT OFFICES

Manchester: Queen's House, Queen Street, Tel: 061-434 3301. London: Bracken House, 10, Cannon Street, Tel: 01-434 3300.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Stock, Price, Div, and Yield.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Stock, Price, Div, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Stock, Price, Div, and Yield.

Table of Food, Groceries, Etc. (Continued) with columns for Stock, Price, Div, and Yield.

Table of Hotels and Caterers (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

Table of Industrial (Miscellaneous) (Continued) with columns for Stock, Price, Div, and Yield.

SUBSCRIPTIONS

Copies obtainable from newspapers and bookstalls worldwide or on regular subscription from Subscription Department, Financial Times, London.

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4A 3DF.

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4A 3DF.

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4A 3DF.

FINANCIAL TIMES

Published in London & Frankfurt. Head Office: The Financial Times Limited, Bracken House, 10, Cannon Street, London EC4A 3DF.

INDUSTRIALS—Continued

Table of industrial stock prices including companies like British Petroleum, ICI, and various engineering firms.

INSURANCE—Continued

Table of insurance stock prices including companies like Royal Indemnity and Commercial Union Assurance.

PROPERTY—Continued

Table of property-related stock prices including companies like British Land and various real estate firms.

INVESTMENT TRUSTS—Cont.

Table of investment trust stock prices including various funds like British Venture and Overseas Investment.

FINANCE, LAND—Continued

Table of finance and land stock prices including companies like National Westminster and various banks.

DAIWA BANK advertisement with logo and text: 'a fully integrated banking service'.

MINES—Continued

Table of Australian mine stock prices including companies like BHP, Anglo American, and various copper mines.

TINS

Table of tin stock prices including companies like Anglo Tin Mines and various tin producers.

COPPER

Table of copper stock prices including companies like Anglo American and various copper mines.

MISCELLANEOUS

Table of miscellaneous stock prices including various commodities and services.

NOTES

Notes section containing financial news, company announcements, and market commentary.

REGIONAL MARKETS

Table of regional market data including stock prices from various international locations.

OPTIONS

Table of options market data including 3-month call rates for various stocks.

LEISURE

Table of leisure stock prices including companies like British Telecom and various media firms.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stock prices including companies like British Aerospace.

SHIPPING

Table of shipping stock prices including companies like British Overseas Airways.

SHOES AND LEATHER

Table of shoes and leather stock prices including companies like British Leather.

SOUTH AFRICANS

Table of South African stock prices including companies like Anglo American and various mining firms.

TEXTILES

Table of textiles stock prices including companies like British Textiles.

TEAS

Table of tea stock prices including companies like British Tea.

RUBBERS AND SISALS

Table of rubber and sisal stock prices including companies like British Rubber.

GOLDS EX-GRANDIS

Table of gold stock prices including companies like Anglo Gold.

MINES

Table of mine stock prices including companies like Anglo American and various mining firms.

INSURANCE

Table of insurance stock prices including companies like Royal Indemnity and various insurance firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.

PROPERTY

Table of property stock prices including companies like British Land and various real estate firms.



Flood machinery valuers

Iran 'to complete nuclear plants'

By Andrew Whitley in Tehran

IRAN IS to complete all four nuclear power plants now under construction, Mr. Amir Entezam, the Government spokesman, said yesterday.

French diplomats were surprised by the news, which concerns their biggest project in Iran, with an estimated final value of £1.2bn.

There was a major reassessment last autumn of the highly ambitious nuclear energy programme, which would have involved the setting up of over 20 nuclear power stations in the next decade.

Iran decided to concentrate on much cheaper gas-fuelled power stations, utilising the country's plentiful gas reserves.

Successive cuts in the programme had, by February, left only two nuclear plants, being built by Kraftwerkunion of West Germany, as likely to be completed.

France's two 900 MW units are being built on the banks of the Karun river in southwest Iran. The contracts were signed in October 1977 and they are due for completion in 1983 and 1984 respectively.

Mr. Entezam also yesterday represented the Government in statements that Iran was interested in purchasing agricultural goods and machinery in place of the arms ordered from Western suppliers.

Approaches for more agricultural equipment are said to have been made in general terms to at least one major arms-supplying country, but it is not clear whether a direct link was being made with the cancelled weapons.

The government confirmed that contracts with Britain for more than 1,200 chieftain tanks are to be cancelled, along with seven AWAC radar aircraft ordered from the U.S.

UK TODAY BRIGHT intervals becoming cloudy with rain, sleet or snow on high ground.

London, Midlands, Cent. N. England, N. Wales, W. Scotland

Bright intervals, becoming cloudy with rain. Sleet on high ground.

Rest of Scotland, E. N.E. England, N. Wales, S. Wales

Bright intervals, becoming cloudy with rain. Sleet on high ground.

Scattered showers, wintry on high ground.

OUTLOOK: Cloudy WORLDWIDE

Table with columns for location, high/low, and weather conditions for various global cities.

TORIES URGED TO SEEK DECISIVE MAJORITY

Thatcher sounds battle cry

BY PHILIP RAWSTORNE

MRS. MARGARET Thatcher yesterday urged the Conservatives into the General Election campaign, calling on the party to win a decisive majority for change.

In a rallying speech to 400 candidates at the Central Hall, London, the Tory leader said the party wanted "the biggest mandate to do the things we have to do."

Mrs. Thatcher said the party was entering the fight with morale high, and exhorted the Conservative candidates not to be afraid to change.

"Don't duck it. It is time for change."

Referring to Mr. James Callaghan's charge that the Tories would "tear up the roots of the country," Mrs. Thatcher said: "We are the party of roots."

It was Labour who had torn up the spirit of enterprise, she said. Mrs. Thatcher said that this would be the most crucial election the party had fought. The

choice was between a great and free country or a further move towards a Socialist state. "We can either go on as we are or change; we can either carry on with an inflation record that is the worst in modern times, carry on with record unemployment and a declining Britain or restore freedom and enterprise."

Mrs. Thatcher said that the Conservatives would make only one main promise during the campaign — to cut the rate of income tax at all levels. "It is paramount in our strategy," she said. "It is sustainable but it limits other promises."

The power and responsibility of the trade unions would be a major theme of the contest, she said. "We are on the side of the moderate members of the trade unions. We are not on the side of those trade union members who would ride roughshod over other members of society."

Law and order would be restored as a fact and as a concept. "We can at least see there are enough policemen and that they are paid well."

Mrs. Thatcher to a standing ovation, concluded: "You cannot have a free society without a free enterprise economy. Socialists do not believe in a free enterprise economy... they exalt the State and belittle the individual."

Among other preparations for the election, it was announced yesterday that Mrs. Thatcher had appointed Professor Douglas C. Hague, deputy director of the Manchester Business School, as her personal economic adviser during the campaign.

A former consultant to the National Economic Development Office and member of the Price Commission, Professor Hague said he would be advising the Tory leader on economic developments during the campaign and writing some of her speeches.

On the Labour side, yesterday, the Cabinet met for its last full and formal session at Downing Street. All 25 Cabinet Ministers and Mr. Michael Cook, the Government Chief Whip, attended the 90-minute meeting.

The Labour Party's manifesto drafting committee met again yesterday to prepare for today's full meeting between the Cabinet and the National Executive Committee which will approve the final version for publication this weekend.

Mr. Roy Hattersley, the Prices Secretary, said in Ilford, Essex, last night that he had no doubt that a promise to extend and strengthen statutory price controls would be included in the manifesto.

Lonrho increases bid

BY JAMES BARTHOLOMEW

SIR HUGH FRASER, deputy chairman of Scottish and Universal Investments, and Mr. James Gossman, a director, will recommend a revised offer by Lonrho for Scottish and Universal Investments.

Lonrho had raised its bid by £3.3m to £43.5m yesterday. The move came soon after its announcement that the attempt by Gulf Fisheries of Kuwait, its largest single shareholder, to put two nominees on the board had been overwhelmingly defeated.

Lonrho will now offer 115p cash and one Lonrho share for every share of SUITS, valuing the Scotland-based investment company at £61.3m. Lonrho already owns just over 29 per cent.

Sir Hugh, who is in Vancouver, recommended Lonrho's first offer a year ago, but then opposed the offer announced last month.

Charterhouse Japhet, financial adviser to SUITS, yesterday challenged Lonrho's statement that the new offer was an attractive proposition "having regard to the sound position of Lonrho and its undoubted

potential for further growth." Mr. Bruce Fireman, a director of Charterhouse, said he wanted to see a justification of these claims in Lonrho's offer document since the Monopolies Commission report last month stated that Lonrho's profits, excluding asset revaluations and associates' profits, had fallen in the past two years.

The Commission had also said Lonrho was negotiating a \$50m loan. No details had so far been announced, Mr. Fireman said.

Earlier yesterday, Mr. Paul Spicer and Mr. Philip Tarsh were re-elected to the Lonrho board by 97.5m to 46.3m votes. This vote meant that a poll on the motions to appoint Mr. Thomas Ferguson and Mr. Ewan McDonald, nominees of Gulf Fisheries of Kuwait, in their place, became unnecessary.

Lonrho shareholders voted in force, and just over 76 per cent of the group's shares were committed one way or the other.

Lonrho rubbed in the defeat yesterday by asserting that 44m of the 46m votes cast on

Gulf's side came from Gulf and its associates. Another 2m of the votes were cast by "a large investor associated with Sheikh Nasser's (chairman of Gulf) advisers." Lonrho said in a statement almost sure to refer to Save and Prosper unit trust group, one of whose substantial shareholders, Robert Fleming, had advised the Sheikh.

The result was no claim. "The result thus demonstrates, once again, the solid confidence of Lonrho's shareholders in their board."

In the takeover battle for SUITS, the shares of Lonrho held by the institutions could be important. Of 15 insurance companies, pension funds, unit trusts and investment trusts questioned, only four held any shares at all in Lonrho and three of them held them only for the high yield.

This apparent lack of confidence in Lonrho could affect the bid outcome because of the decision facing some institutions on whether to accept Lonrho shares in place of holdings they might have in SUITS.

The major source of institutional disquiet was the location of Lonrho's assets and earnings.

Veto urged on bids for National Airlines

By John Wyles in New York

THE U.S. Civil Aeronautics Board was yesterday strongly recommended by one of its administrative law judges to veto rival moves to acquire National Airlines by Pan American World Airways and Texas International Airlines.

The ruling by Judge William Dapper will have to be endorsed by both the board and President Carter before the merger application can be processed and approved. But the judge's findings will be a bitter disappointment to both Texas and Pan Am which both felt they had a strong case to be allowed to press ahead in their bids to acquire National.

The importance of the judge's pronouncement lies in it being the first verdict on a merger proposal involving major airlines since the Airline Deregulation Act was passed by Congress last November.

Since then a CAB judge has recommended approval of a merger between two small regional airlines, North Central and Southern, but the bids involving National have always been seen as the acid test of the Board's attitude to mergers in the de-regulated era.

Essentially, Judge Dapper's stance was based on the view that a fusion of either TXIA or Pan Am with National would tend to reduce competition within the industry. He observed that last year's Deregulation Act intended to "establish a regulatory regime 'in which vigorous competition between carriers would be the touchstone'."

Both Texas and Pan Am were, he said, potential entrants on a number of National's routes but a merger of the former with National would actually reduce competition on routes from New Orleans and Houston. A Pan Am-National link, on the other hand, would lessen competition on routes between U.S. and Europe.

The board is expected to wait until June or July before giving its ruling to allow completion of hearings on Eastern Airlines' application to buy National.

Shell increase is halved

BY KEVIN DONE, ENERGY CORRESPONDENT

THE PRICE Commission is to investigate oil product price increases proposed by Shell and has decided to allow only half the price rise sought by the oil company as an interim increase.

The commission's move took the oil industry by surprise, and will cause confusion in oil product markets.

Shell has been allowed an average increase for all products of 1.5p a gallon, but it has not yet decided how to apply the increase. It is probable that the bulk of the increase will fall on petrol rather than spread evenly across all products, including heating oil, aviation fuel and fuel oil.

All the other major oil companies, including Esso, BP, Texaco and Mobil raised wholesale oil product prices from midnight last night by an average of 2-3p a gallon.

Most companies are also weighting the increases towards petrol. The largest increase will be applied by Texaco, which is adding 4 1/2p a gallon to the wholesale prices for petrol, diesel, gas oil and burning oil, with an increase of 3.5p a gallon on the wholesale price for all grades of fuel oil.

For most brands of petrol the price of a gallon of 4-star is now likely to rise at the pump, once VAT and dealers' margins are included, by 3p-5p a gallon, bringing the price up to 37p-38p a gallon.

The oil companies are already working on a further round of notifications for the Price Commission to be submitted soon. It will be the third price increase within four months, as companies move to recover their increasing costs following the crude oil price increases imposed by OPEC members.

The level at which crude oil prices will settle in the second quarter is still unclear as a result of the variety of surcharges and premiums which are being imposed by the producer countries. But the oil companies will submit proposals for a new round of increases which will take the price of 4-star petrol well above 90p a gallon—as soon as the position is clarified.

Rises sought by three oil companies are under investigation by the Price Commission. Esso, British Petroleum and Shell, the three market leaders in the UK, the Esso and BP investigations should be completed by May 15 and Shell by July 8.

Increases by other companies have been left untouched. Shell has been allowed an average increase of 3 per cent against its application for 6 per cent. This is equivalent to 1.5p a gallon, inclusive of VAT and duty. Esso has been allowed 1.9p a gallon across all products, exclusive of duty and VAT and BP has been allowed 2.6p a gallon, inclusive of duty and VAT.

BP and Esso have been granted their price proposals in full.

even for minor changes in working practices. In the first half of 1978 the losses had increased to £1.6m and the decision to close Speke had had to be taken to protect group profitability and other employees.

The joint action committee at the plant challenged Mr. Johnson's statements, however, claiming that most of Speke's problems stemmed from lack of investment.

Mr. Johnson Lane, a spokesman original cost of plant and equipment at Speke was £9.5m but the current book value was only £2.5m. Investment had exceeded depreciation in only one year since 1972. Much of the equipment went back to 1945 and there were some pieces which were pre-first world war, he said.

The committee also claimed that the refusal to do more than a set amount of work on a particular shift had been introduced because man were being laid off because of bottlenecks elsewhere in the production line. Comparisons of productivity between Speke and other plants were invalid because of a different product mix and older equipment.

Continued from Page 1

MLR

interest rates will not be reduced any further. The authorities are determined to avoid a repetition of the events of 1977 when MLR was cut to 5 per cent in a futile attempt to reduce inflows while sterling was held down. This in practice undermined monetary control.

So if yesterday's measures do not check the inflows the pressures will presumably be reflected in the exchange rate.

The authorities' options are limited during the four weeks before the election and the cut in MLR has all the appearances of a holding operation until a more fundamental review can be undertaken. Mr. Gordon Richardson, the Governor of the Bank, is known to favour a relaxation of outward exchange controls, and this has also been publicly supported by Conservative leaders.

Our Dublin Correspondent writes: The continuing strength of sterling means that the Irish punt is at its lowest value against sterling since the two parted company on Friday. At yesterday's close, it stood at £0.9848, compared with £0.9880 overnight.

But the punt remained firm against other currencies in the European Monetary System.

Continued from Page 1

Dunlop protest

Dunlop imports a large amount of raw materials and tyres and exports a wide range of goods, including tyres, sports equipment and specialist engineering products. Much of the imported raw material is not identifiable as Dunlop imports.

Rhys David writes: Mr. Ken Johnson, the administration director of Dunlop, has accused the Speke labour force of largely bringing the closure on their own heads by ignoring the persistent warnings over the past five years of the need for improved results.

Mr. Johnson claimed that in 1977, when the plant made a £2.4m loss, only 66 per cent of working hours had been used effectively and production of the four main types of tyre had not reached 75 per cent of target.

Productivity at the plant was the worst among the group's nine European factories and its wastage was the highest. The main contributory factors behind the low level of output had been stilt working, a system of producing a predetermined amount and no more, no matter how many hours of the shift remained, demarcation disputes, and extensive rate re-bargaining

THE LEX COLUMN

Overseas boost for GKN

Index rose 8.9 to 532.7

Although in the past it has been the policy of the Bank of England to hold the financial markets steady during election campaigns, the Bank has never had to cope with quite such an inflexible policy on monetary growth as it is now trying to administer. It is a basic fact of life that interest rates, the exchange rate and the money supply cannot be controlled all at once, and the Bank is not going to repeat the mistakes of 1977.

The apparent message of yesterday's moves is that the authorities will try to keep MLR stable at 12 per cent, and will do their best to stop the sterling from overshooting too much, but the sterling exchange rate will have to look after itself. The immediate reaction was a rise in sterling to equal the 1978 index peak at 66.7, while gilt-edged, expectantly, managed a late surge.

GKN After the Lucas figures the market had become nervous about GKN but there was no need: a profits return of £37.3m before tax (but after additional depreciation) compares with £72.5m for 1977 and expectations of around £50m. Thanks to a strong showing in Germany, the motor components side managed to absorb a second half setback in the UK, so that this division achieved an unchanged trading profit of £47m for the year.

Meanwhile the general and civil engineering side responded well to a slightly improved trading climate and to elimination of unprofitable activities, scoring a sharp advance from £10m to £23m. With primary metals and the distribution division showing modest recovery, and the contribution from associates (including Sachs for the last time) much higher than in the first half, GKN managed to please the market enough to leave its share price 24p higher at 278p.

Nevertheless the group's returns remain unacceptably low in many areas. UK trading profits rose only £3.8m in 1978 to £36.3m, still well below the 1974 level, while overseas there was a £9.4m gain to £40m, a new peak. One consequence is a higher tax charge which has limited the rise in earnings per share to 7 per cent at 26.7p (or 40.8p on a historical cost depreciation basis). There is big potential in the U.S. where export business was up two thirds to £72m last year. Now the major question for GKN, however, is whether its attempts to streamline its organisation and

its operating efficiencies—and that the pay-off starts this year. Thus Canada should swing from losses to profits following the closure of excess capacity, and the group's market shares in the U.S. are improving. North America as a whole could be heading for pre-tax profits of say, £4m or £5m after making very little contribution in 1978. The Australian company hopes to claw back last year's profits decline of over £3m, while the UK tea and food business—about £2m down last year—is also looking for recovery.

Most important of all, a continuing programme of plant closures is helping to put Schwepes back on a sound footing in the UK, and a much higher advertising budget is having an impact on market shares in confectionery and soft drinks. The shares are still distinctly hesitant at 57p, where the yield is 9 1/2 per cent. But on the 10th anniversary of what has proved to be an ill-conceived merger, it does look as though things at last are beginning to stir at Cadbury Schwepes. And it is recognised that the grass is greener at home: concentration rather than diversification is now the theme.

Ladbroke Group Despite the impressive performance over the years, culminating in a 70 per cent increase in pre-tax profits to £41.4m in 1978, investors are still nervous about the quality of Ladbroke's earnings. Although the shares rose 13p to 238p yesterday, they sell on a multiple of less than six times earnings.

The group has been trying hard to improve the balance of its business by diversifying into the hotel and holiday fields but it is clear that it is still heavily dependent on casino profits. The Royal Commission on Gambling has already recommended a 25 per cent increase in the maximum stakes at casinos, and now Ladbroke has admitted that the police will probably challenge the annual renewal of its London casino licences next month.

With this sort of axe hanging over its head Ladbroke was being rather shy yesterday about revealing just how much money its casinos made last year. However, if a profit improvement of such a size did not largely come from casinos and betting, it is hard to know where else it came from in 1978.

Cadbury Schwepes Cadbury Schwepes' 1978 profits are unchanged at £48.2m pre-tax, but the group expects a "material improvement" in 1979. The suggestion is that Cadbury has deliberately sacrificed short term growth in order to build on the strength of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

of its major brands and improve

MCALPINE AVIATION

THE PLAIN BUSINESS JET FACTS:—

- 1. WORLD'S LARGEST BA125 CHARTER FLEET—INCLUDING EXTRA RANGE SERIES 700
2. CREWS OF HIGHEST PROFESSIONAL STANDARDS
3. FULL AIR OPERATOR'S CERTIFICATE
4. LINK FLIGHTS WITH MAJOR AIRLINES
5. EXTENSIVE MIDDLE EAST EXPERIENCE
6. FULL FIXED BASE OPERATOR
7. PURPOSE BUILT EXECUTIVE AIR CENTRE
8. IN-HOUSE FLIGHT CATERING DEPARTMENT
9. FULL ENGINEERING FACILITIES
10. BASED ONLY 30 MILES FROM CENTRAL LONDON

... if you're still not convinced we can serve you, call John Keeble on Luton (0582) 24182. Telex 82185 McALPINE AVIATION LTD., LUTON AIRPORT, ENGLAND

Registered at the Post Office. Printed by St. Clement's Press for and published by the Financial Times Ltd., Broken House, 11, Abchurch Lane, London, EC4A 3DF. The Financial Times Ltd., 1978.

